

8871. By Mr. GARNER: Petition of citizens and taxpayers of Nueces County, Tex., to enact a law to provide for payment of adjusted-compensation certificates; to the Committee on Ways and Means.

8872. Also, petition of veterans of the World War, Corpus Christi, Tex., to enact a law to provide for payment of adjusted-compensation certificates; to the Committee on Ways and Means.

8873. By Mr. HOGG of West Virginia: Petition of General Daniel Morgan Post, No. 548, Veterans of Foreign Wars, requesting the immediate cash payment of the adjusted-compensation certificates now held by veterans of the World War; to the Committee on Ways and Means.

8874. By Mr. JAMES of Michigan: Petition of Goodney Johnson Post, No. 290, American Legion, favoring the immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

8875. By Mr. KVALE: Petition of the House of Representatives (the Senate concurring) of the State of Minnesota, earnestly urging speedy enactment of House bill 15600; to the Committee on Rivers and Harbors.

8876. Also, petition of American Legion Post, Danube, Minn., submitted by Clemmens O. Sletten, adjutant, desiring immediate full payment of adjusted-service certificates; to the Committee on Ways and Means.

8877. Also, memorial of the House of Representatives (the Senate concurring) of the State of Minnesota, earnestly urging passage of House bill 11718; to the Committee on Irrigation and Reclamation.

8878. Also, petition of Atwater Creamery Co., Atwater, Minn., submitted by C. J. Berg, secretary, urging legislation to protect dairy producers against competition from artificially colored oleomargarine; to the Committee on Agriculture.

8879. Also, petition of members of the Watkins Post, No. 453, American Legion, Watkins, Minn., favoring legislation paying full face value of adjusted-service certificates; to the Committee on Ways and Means.

8880. By Mr. McREYNOLDS: Resolution unanimously adopted by the James Perry Fyffe Camp, No. 14, United Spanish War Veterans, Chattanooga, Tenn., at their regular meeting, Wednesday, January 14, 1931, in support of House bill 10296, to provide for use of U. S. S. *Olympia* as Spanish War memorial; to the Committee on Naval Affairs.

8881. By Mr. REED of New York: Resolution of Woman's Christian Temperance Union at Cherry Creek, Jamestown, Belmont, and Franklinville, N. Y., in support of House bill 9986; to the Committee on Interstate and Foreign Commerce.

8882. By Mr. ROBINSON: Petition signed by Anna L. Fary, 821 West Sixth Street, Waterloo, Iowa, under the auspices of the combined societies of the Christian Endeavor, of Waterloo, Iowa, earnestly urging the passage of House bill 9986, for the Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

8883. Also, resolution signed by the resolution committee, J. W. McEvoy, Martin Fahey, and Frank Sullivan, of the Veterans of Foreign Wars, Leo A. Schwind Post, No. 508, Dubuque, Iowa, urging the passage of the Patman bill providing for the immediate payment of the World War adjusted-compensation certificates by the Government; to the Committee on Ways and Means.

8884. By Mr. SANDERS of Texas: Petition of the Lloyd Grubbs Post, No. 49, American Legion, Orange, Tex., urging the payment of the adjusted-service certificates of veterans of the World War; to the Committee on Ways and Means.

8885. By Mr. SELVIG: Petition of Mr. and Mrs. Christ Hanson, of Audubon, Minn., urging enactment of House bill 7884 to exempt dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8886. Also, petition of Mrs. Art Friese, Arthur Kohler, Mrs. F. L. Caye, of Detroit Lakes, Minn., urging enactment of House bill 7884 to exempt dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8887. Also, petition of Henry Olson and S. G. Melvald, of Westbury, Minn., urging enactment of House bill 7884

for exemption of dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8888. Also, memorial of the Legislature of State of Minnesota memorializing Congress to pass Senate bill 4123 for the relief of the drainage districts; to the Committee on Irrigation and Reclamation.

8889. By Mr. SMITH of West Virginia: Petition of the Gen. Daniel Morgan Post, No. 548, Veterans of Foreign Wars of the United States, Morgantown, W. Va., favoring the enactment of legislation to provide immediate payment of adjusted-compensation certificates; to the Committee on Ways and Means.

8890. By Mr. WYANT: Petition of Sunday School of Harrold's Reformed Church, of Hempfield Township, Westmoreland County, Pa., favoring passage of the Sparks-Capper resolution eliminating aliens from count in congressional reapportionment; to the Committee on the Judiciary.

8891. Also, petition of Pennsylvania Jersey Cattle Club, opposing ruling of Commissioner of Internal Revenue David Burnett that unbleached, yellow palm oil may be used in manufacture of oleomargarine without subjecting the finished product to tax at rate of 10 cents per pound, and petitioning Congress to enact a law taxing all yellow oleomargarine at least 10 cents a pound if this ruling can not be rescinded; to the Committee on Ways and Means.

8892. Also, petition of Chamber of Commerce of Oil City, Pa., urging tariff on crude petroleum and refined products; therefrom; to the Committee on Ways and Means.

## SENATE

TUESDAY, JANUARY 27, 1931

(Legislative day of Monday, January 26, 1931)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Dill	Kean	Sheppard
Barkley	Fess	Kendrick	Shipstead
Bingham	Fletcher	Keyes	Shortridge
Black	Frazier	McGill	Smith
Blaine	George	McKellar	Steck
Blease	Gillett	McMaster	Stefwer
Borah	Glass	McNary	Stephens
Bratton	Glenn	Metcalf	Swanson
Brock	Goff	Morrison	Thomas, Idaho
Brookhart	Goldsborough	Morrow	Thomas, Okla.
Broussard	Gould	Moses	Townsend
Bulkley	Hale	Norbeck	Trammell
Capper	Harris	Norris	Tydings
Caraway	Harrison	Nye	Vandenberg
Carey	Hatfield	Oddie	Wagner
Connally	Hawes	Partridge	Walcott
Copeland	Hayden	Phipps	Walsh, Mont.
Couzens	Hebert	Pine	Waterman
Cutting	Hefflin	Ransdell	Watson
Dale	Howell	Reed	Wheeler
Davis	Johnson	Robinson, Ark.	Williamson
Deneen	Jones	Schall	

Mr. WATSON. I desire to announce that my colleague [Mr. ROBINSON] is detained from the Senate by illness. I ask that this announcement may stand for the day.

Mr. BLAINE. My colleague the senior Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably absent. I will let this announcement stand for the day.

Mr. TOWNSEND. I desire to announce that my colleague [Mr. HASTINGS] is unavoidably absent. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

### PETITIONS AND MEMORIALS

Mr. WATSON presented the following concurrent resolution of the Legislature of the State of Indiana, which was referred to the Committee on Interstate Commerce:



A concurrent resolution concerning financial grants in aid by Congress to the several States

SECTION 1. *Be it resolved by the Senate of the General Assembly of the State of Indiana (the House of Representatives concurring).* That it is the sense of the General Assembly of the State of Indiana that the further consideration of any bills which may be pending in Congress and which are designed to make financial grants in aid to the several States should be postponed until provision can be made by the legislatures of the several States for the creation and appointment of committees on joint levies and appropriations to consider, with the appropriate committees of Congress, the wisdom or desirability of making any further grants in aid to the several States for the promotion of joint enterprises for any purpose whatsoever.

SEC. 2. That a copy of this resolution be transmitted to Chairman JAMES S. PARKER, of the House Committee on Interstate and Foreign Commerce, and to each United States Senator and Representative in Congress from Indiana.

Mr. SHEPPARD presented petitions of sundry citizens of Texas, praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. HEBERT presented petitions numerously signed by sundry citizens of the State of Rhode Island, praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. COPELAND presented petitions numerously signed by sundry citizens of the State of New York, praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. CAPPER presented petitions numerously signed by sundry citizens of Newton, McPherson, Ottawa, Kansas City, and Salina, all in the State of Kansas, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

Mr. BULKLEY presented letters and telegrams in the nature of memorials from the Altar and Christian Mothers' Society, of Warren; the Catholic Collegiate Association, of Toledo; Court Warren, No. 567, Catholic Daughters of America; Trumbull County Auxiliary of the Ancient Order of Hibernians; the St. Therese Sodality of St. Patrick's Church, of Galion; the St. Therese Literary Club, of Galion; National Circle, No. 394, Daughters of Isabella, of Galion; the Federation of Catholic Women, of Marion; the Catholic Daughters of America and the Deanery, both of Defiance; and Court Delphos, No. 707, Catholic Daughters of America, of Delphos, all in the State of Ohio, remonstrating against the passage of the joint resolution (S. J. Res. 52) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, which were referred to the Committee on the Judiciary.

Mr. TYDINGS presented petitions numerously signed by sundry citizens of the State of Maryland, praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented a resolution adopted by Earl H. Opel Post, No. 459, the American Legion, of Somerset County, Pa., favoring the prompt passage of legislation providing for the immediate payment at full face value of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also presented petitions numerously signed by sundry citizens of the State of Maryland, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

#### MEMORIAL AGAINST EXTRA SESSION OF CONGRESS

Mr. WAGNER presented a resolution adopted by the board of directors of Associated Industries of New York State (Inc.), which was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolutions adopted by board of directors of Associated Industries of New York State (Inc.)

JANUARY 15, 1931.

*Resolved*, That it is the consensus of opinion of the board of directors of Associated Industries of New York State (Inc.), representing more than 2,000 manufacturers and merchants doing

business in New York State, that any prolongation of the present session of Congress beyond March 4 would be ill-advised and unwarranted, in that it might retard the increasing resumption of business activity and unduly delay the return to normality, which is so much to be desired; and be it further

*Resolved*, That the general secretary is hereby directed to convey to the representatives of New York State in the National Congress this expression of the considered judgment of this board.

#### DROUGHT RELIEF

Mr. CARAWAY. Mr. President, there is such pronounced hostility in the other branch of Congress to having starving white people relieved of their distress that I desire to suggest that possibly for political reasons their animosity would not run against the colored race. Therefore I wish to put in the RECORD a telegram from the bishop of the African Methodist Episcopal Church in Arkansas appealing for help. I do not ask that it be read, but that it be made a part of my remarks.

The VICE PRESIDENT. Without objection, the telegram will be printed in the RECORD.

The telegram is as follows:

DETROIT, MICH., January 26, 1931.

Senator THADDEUS CARAWAY,  
Senate Chamber:

I thank you for your efforts in behalf of our suffering destitute Americans. I pray for your complete success. A higher power will give strength to you in this courageous and Christian attempt to follow Him who fed the hungry and comforted the needy and broken in spirit.

W. T. VERNON,  
Bishop of African Methodist Episcopal Church in Arkansas.

#### REPORTS OF COMMITTEES

Mr. HOWELL, from the Committee on Claims, to which was referred the bill (S. 5467) to amend an act for the relief of Augusta Cornog, approved May 29, 1928, reported it without amendment and submitted a report (No. 1372) thereon.

Mr. BROCK, from the Committee on Claims, to which was referred the bill (H. R. 9872) to extend the benefits of the employees' compensation act of September 7, 1916, to Andrew J. Brown, a former rural mail carrier at Erwin, Tenn., reported it with amendments and submitted a report (No. 1373) thereon.

He also, from the same committee, to which was referred the bill (H. R. 2458) for the relief of Darold Brundige, reported it without amendment and submitted a report (No. 1374) thereon.

Mr. STEPHENS, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 4477. An act for the relief of Irma Upp Miles, the widow, and Meredith Miles, the child, of Meredith L. Miles, deceased (Rept. No. 1375); and

H. R. 9205. An act for the relief of Julian E. Gillespie (Rept. No. 1376).

Mr. NORBECK (for Mr. ROBINSON of Indiana), from the Committee on Pensions, to which was referred the bill (H. R. 15930) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, reported it with amendments and submitted a report (No. 1377) thereon.

He also (for Mr. ROBINSON of Indiana), from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 4328. An act granting an increase of pension to Helen K. Snowden (Rept. No. 1378); and

S. 4910. An act granting a pension to Eleanor Emma Bliss (Rept. No. 1379).

Mr. NORBECK (for Mr. ROBINSON of Indiana) also, from the Committee on Pensions, to which was referred the bill (H. R. 12023) to repeal the provision of law granting a pension to Lois Cramton, reported it without amendment and submitted a report (No. 1380) thereon.

Mr. STEIWER, from the Committee on Claims, to which was referred the bill (H. R. 8677) for the relief of certain disbursing officers of the Army of the United States and for



the settlement of individual claims approved by the War Department, reported it with an amendment and submitted a report (No. 1381) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 5655) to authorize the Commissioners of the District of Columbia to close streets, roads, highways, or alleys in the District of Columbia rendered useless or unnecessary, and for other purposes, reported it with an amendment and submitted a report (No. 1382) thereon.

#### FLOTATION OF FOREIGN INVESTMENT LOANS

Mr. GLASS, from the Committee on Banking and Currency, to which was referred the resolution (S. Res. 305) opposing action by the State Department with respect to the flotation of foreign investment loans in the United States and its assumption of certain authority over the Federal Reserve Board and banks, reported it without amendment.

#### FEDERAL POWER COMMISSION

Mr. WALSH of Montana, from the Committee on the Judiciary, to which was referred the resolution (S. Res. 415) requesting district attorney to institute quo warranto proceedings against George Otis Smith, Marcel Garsaud, and Claude L. Draper, reported it without amendment, submitted a report (No. 1371) thereon, and moved that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, which was agreed to.

#### REPORTS OF NOMINATIONS

As in executive session,

Mr. GOULD, from the Committee on Immigration, reported favorably the nomination of Anna C. M. Tillinghast, of Cambridge, Mass., to be commissioner of immigration at the port of Boston, Mass., which was placed on the Executive Calendar.

Mr. NYE, from the Committee on Public Lands and Surveys, reported favorably the nomination of David Burrell, of Idaho, to be register of the land office at Blackfoot, Idaho, vice Peter G. Johnston, deceased, which was placed on the Executive Calendar.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PINE:

A bill (S. 5884) granting a pension to Mary Jane Williams (with accompanying papers); to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 5885) granting a pension to Burr E. Vinson (with accompanying papers); to the Committee on Pensions.

By Mr. KEAN:

A bill (S. 5886) granting a pension to Emma F. Meyer (with accompanying papers); to the Committee on Pensions.

By Mr. GLENN:

A bill (S. 5887) to extend the times for commencing and completing the construction of a bridge across the Ohio River at Mound City, Ill.; to the Committee on Commerce.

By Mr. SHORTRIDGE:

A bill (S. 5888) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the founding of the city of Los Angeles, Calif.; to the Committee on Banking and Currency.

A bill (S. 5889) for the relief of Jacob Meyers; to the Committee on Claims.

A bill (S. 5890) granting a pension to Emma E. Ferneding; to the Committee on Pensions.

By Mr. COUZENS:

A bill (S. 5891) to amend section 2 of the radio act of 1927;

A bill (S. 5892) to amend section 4 of the radio act of 1927;

A bill (S. 5893) to amend section 9 of the radio act of 1927, as amended; and

A bill (S. 5894) to amend section 14 of the radio act of 1927; to the Committee on Interstate Commerce.

A bill (S. 5895) for the relief of Ella C. Bader (with accompanying papers); to the Committee on Finance.

A bill (S. 5896) granting a pension to Rachel Patten Ricks (with accompanying papers);

A bill (S. 5897) granting an increase of pension to Ebbin A. Irvin (with accompanying papers); and

A bill (S. 5898) granting an increase of pension to Mary E. Richards (with accompanying papers); to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 5899) to establish the office of captain of the port of New York and to define his duties; to the Committee on Commerce.

By Mr. BLAINE:

A bill (S. 5900) granting a pension to Celia Thurber (with accompanying papers); to the Committee on Pensions.

By Mr. BULKLEY:

A bill (S. 5901) for the relief of the Johnstown Building & Loan Association Co., Johnstown, Ohio; to the Committee on Claims.

A bill (S. 5902) granting an increase of pension to John Murphy (with accompanying papers); to the Committee on Pensions.

By Mr. DALE:

A bill (S. 5903) to provide for the retirement of officers and employees of the legislative branch of the Government, and for other purposes; to the Committee on Civil Service.

By Mr. DAVIS:

A bill (S. 5904) relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes; to the Committee on Manufactures.

By Mr. TYDINGS:

A bill (S. 5905) to amend the act approved March 4, 1929, entitled "An act to provide for the enlarging of the Capitol Grounds"; to the Committee on Public Buildings and Grounds.

By Mr. BARKLEY:

A bill (S. 5906) granting a pension to Thomas Turner; to the Committee on Pensions.

By Mr. WALSH of Montana:

A bill (S. 5907) for the relief of Stella M. Musselman; to the Committee on Claims.

By Mr. DALE:

A bill (S. 5908) granting an increase of pension to Laura B. Landon (with accompanying papers); to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 5909) granting a pension to Mary F. Robbins (with accompanying papers); to the Committee on Pensions.

A bill (S. 5910) to extend the benefits of the civil service retirement laws to fourth-class postmasters; to the Committee on Civil Service.

By Mr. GOFF:

A joint resolution (S. J. Res. 240) authorizing the placing in the National Statuary Hall of a statue in honor of the American mother and other patriotic women of the United States; to the Committee on the Library.

By Mr. BROOKHART:

A joint resolution (S. J. Res. 241) authorizing the Inland Waterways Corporation to extend its service to the Ohio River; to the Committee on Commerce.

#### PROHIBITION ENFORCEMENT IN THE DISTRICT OF COLUMBIA

Mr. BLEASE submitted an amendment intended to be proposed by him to the bill (S. 3344) supplementing the national prohibition act for the District of Columbia, which was ordered to lie on the table and to be printed, as follows:

On page 11, at the end of line 14, insert the following proviso: "Provided, That this act shall apply to all persons and all buildings alike without exception."



AMENDMENT TO STATE, JUSTICE, AND OTHER DEPARTMENTS  
APPROPRIATION BILL

Mr. FLETCHER submitted an amendment proposing to increase the appropriation for district and cooperative office service under the Bureau of Foreign and Domestic Commerce from \$710,000 to \$725,000, intended to be proposed by him to House bill 16110, making appropriations for the State, Justice, and other departments, etc., which was referred to the Committee on Appropriations and ordered to be printed.

PERSONAL MESSENGER TO SENATOR SCHALL

Mr. ODDIE submitted the following resolution (S. Res. 421), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That Senate Resolutions No. 243, agreed to May 25, 1928, and No. 158, agreed to November 19, 1929, authorizing Hon. THOMAS D. SCHALL, a Senator from the State of Minnesota, to appoint a messenger for service as his personal attendant, to be paid out of the contingent fund of the Senate, hereby are continued in full force and effect until the end of the Seventy-second Congress.

LEASES OF POST OFFICE AND OTHER BUILDINGS

Mr. BLAINE. Mr. President, I desire to submit a resolution for reference to the Committee to Audit and Control the Contingent Expenses of the Senate. The resolution proposes to extend the life of the committee on post-office leases and to increase the amount which it may expend. It is approved by the Senator from Arizona [Mr. HAYDEN], by the Senator from Georgia [Mr. GEORGE], and by the Senator from Rhode Island [Mr. HEBERT]. The Senator from Delaware [Mr. HASTINGS], the fifth member of the committee, I have been unable to reach. I offer the resolution, and ask that it may be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 422) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

*Resolved*, That Senate Resolution No. 244, Seventy-first Congress, agreed to April 18, 1930, authorizing the select committee on post-office leases to investigate all leases for post-office buildings and commercial postal stations and substations, hereby is continued in full force and effect until the expiration of the Seventy-second Congress, and the limit of expenditures to be made under authority of such resolution is hereby increased by \$10,000.

PROHIBITION EVIDENCE AND TESTIMONY BEFORE THE WICKERSHAM COMMISSION

Mr. TYDINGS. Out of order, I ask permission to submit a resolution, which I ask to have read by the clerk.

The PRESIDING OFFICER (Mr. COUZENS in the chair). The resolution will be read.

The resolution (S. Res. 423) was read, as follows:

Whereas the report of the Wickersham Commission on Prohibition recommends that certain legislation shall be passed by the Congress; and

Whereas the testimony on which these recommendations are based is not contained in the report: Therefore be it

*Resolved*, That the commission be requested to send to the Senate for its information in drafting the legislation recommended, a copy of all the testimony heard by it and of all the evidence laid before it, except so far as such testimony or evidence may have been received under the pledge of secrecy; and be it further

*Resolved*, That the commission be requested to send to the Senate, for its information, the reports of its experts who investigated the various phases of prohibition.

Mr. WATSON. Mr. President, what disposition is asked to be made of this resolution?

Mr. TYDINGS. It will go over under the rule, will it not?

The PRESIDING OFFICER. Yes.

DROUGHT AND UNEMPLOYMENT RELIEF

Mr. BLACK. Mr. President, I desire to take just a few moments on a subject which I think should have the attention of the Senate, and that is the deliberate and designed effort that is being made to delay any action on the Senate amendment to the Interior Department appropriation bill providing an appropriation of \$25,000,000 to relieve suffering and distress in this Nation.

I wish to call the attention of the Senate first to the fact that, according to the Washington Star of January 23, the

conservative Mr. John Barton Payne estimates that there will be an increase in the number of destitute by February 1 who must be supported by the Red Cross until they will number 1,000,000 men and women.

In the face of this situation, Mr. President, over at the other end of the Capitol a committee is conducting hearings to delay the extension of relief to American citizens who are in dire need of food, shelter, and clothes. This extraordinary and unusual procedure of calling in evidence on a Senate amendment to an appropriation bill is a part of the political hostility to any adequate relief for destitute sufferers in our land. It is a part of the same profound political philosophy which taxes the general public to relieve distressed, cold, and hungry mules but stands like a stone wall against taxing the general public to relieve distressed, cold, and hungry men, women, and children. It is another example of that great humanitarianism that taxes Americans to nourish and support Belgians, Russians, and other Europeans, but cracks the party whip against any Republican who dares to think that feeding our own people might be patriotic and justifiable.

Mr. President, even a casual knowledge of the situation existing in our country to-day is sufficient to demonstrate the callous indifference of those who seek to delay and retard relief legislation. The political advantage may be deemed a worth-while objective, but it will be purchased at a frightful price of human suffering.

In the drought-stricken area alone the Red Cross has at last announced that it will be necessary to supply food, clothing, and other types of relief for a million people by February 1. Last week it extended help to 587,034 in that area. Recent events and the alliance of national Red Cross leaders, with administration blindness, is sufficient proof that these figures are not exaggerated.

The President's committee on unemployment reported about 5,000,000 people out of work through no fault of their own. This committee has shown no tendency to exaggerate. In most of the cities canvassed unemployment ranged from 20 to 30 per cent. Their finding was that the average dependents of these unemployed were more than four, making a total of unemployed and their dependents of more than 20,000,000.

During the development of these statesmen's arguments to defend the policy of a national contribution to starving mules and expose the evils of a national contribution to starving people, more and more have become hungry and cold. In the period of one week from January 23 to February 1, the conservative Mr. John Barton Payne estimates there will be an increase in the destitute from slightly more than half a million to a million.

While the number to be supported in the drought-stricken areas alone, according to Mr. Payne, daily mounts at the average rate of more than 55,000, we find the administration forces holding hearings to prove the soundness of philanthropy for the mule and parsimoniousness for the citizen. Every day wasted in this vain and futile political gesture of delay, more than 55,000 hungry American citizens are added to those who must have help or starve. With these staring the public in the face; with bread riots in Arkansas, Missouri, and Oklahoma; with hungry men and women in soup lines throughout the Nation; with official announcement of 5,000,000 unemployed and 1,000,000 destitute drought sufferers; the recognized spokesmen and leaders of this allegedly great humanitarian administration appoint a committee of Sherlocks to prove that the governmental feeding of a mule is the quintessence of patriotism, while the governmental feeding of a hungry child will destroy the pillars of the Republic.

A drive is on for \$10,000,000 to be raised for the Red Cross by public subscription. Up to the end of the twelfth day it was announced that about \$2,100,000 had been raised. This is about \$1,250,000 per week. At this rate it will require eight weeks to raise the \$10,000,000. In the meantime, if each of the million destitute should received \$1.25 per week the money would be spent as rapidly as it is raised. If the woefully inadequate sum of \$2 per week should be given, the total ten million would be spent in five weeks for



the drought sufferers alone, without one dime being spent to alleviate any suffering among the 20,000,000 unemployed and dependents of the unemployed. In the meantime we have facts like these forced to our attention in big headlines:

Help of Red Cross for 1,000,000 seen need for next month.  
Appeals from drought area rapidly mounting, with 587,034 now helped.

We find also statements like this:

Two ears of corn and 11 persons to feed. That is the condition of one family found by C. H. McFarland, State representative American National Red Cross, who returned to Birmingham Saturday afternoon from a tour of north Alabama. This destitute family was found in Jackson County.

"That is one instance," Mr. McFarland said. "I never imagined such suffering and destitution could exist as I found on this trip. It is inconceivable, and if the people with money could only see what I saw the last few days they would open their purses and help these people."

"More than 300 families in Jackson have been helped, at a cost of more than one thousand," Mr. McFarland said, "but this relief is only temporary and something must be done to save the lives of many of these people."

Again, I find in the Washington Post an article headed:

Hunger march in St. Louis is ended by riot. Police hurl gas bombs to eject yelling mob from city hall.

We also find such articles as this contained in an Associated Press dispatch:

An exodus of drought refugees from impoverished farms was described in yesterday's Red Cross messages from the 21-State drought-relief front.

Some were driven out by mortgage foreclosures. Some were tenant farmers unable to pay rent. Some were deserting their own acres to move south where winter weather was likely to be better.

A Logan County (Ky.) Red Cross worker reported:

"I saw a man, wife, and three little children with a little express wagon drawn by a dog crossing Kentucky."

In the face of these conditions we also find this statement:

While the House leisurely approached the relief fund loaded upon a supply bill by the Senate the Red Cross drove ahead yesterday toward its \$10,000,000 goal.

Chairman CRAMTON, of the appropriations subcommittee, which will conduct House hearings on the \$25,000,000 proposal, conferred at the White House with President Hoover and said later that the hearings would be conducted as expeditiously as possible. He added that "the very existence" of the Red Cross was bound up in the matter.

With millions of people out of employment, the number being 5,000,000, according to the report of a Government commission, and with 15,000,000 people dependent upon them, with the Red Cross announcing that it will be compelled in the drought-stricken areas alone to take care of 1,000,000 men, women, and children in order to keep them from starving, we find an investigation going on to see what will happen to the Red Cross.

What is the more important to the people of this country—that we should relieve those who are cold, those who are starving to death, or that we should hold hearings in order to prove that the political administration is correct; in order that a political advantage may be given for a partisan fight?

Mr. President, this fight between those who magnify the importance of the mule and minimize the importance of the man is not new. Some actually believe the sole object of government is to preserve and protect property, whether that property be a mule or an inflated stock certificate. Others hold to the view that governments should place the rights of human beings over and above stock certificates, dollars, and mules.

The Republican administration is to-day fighting to exalt property as typified here by the mule. Those of us who oppose this philosophy believe that the Government owes more to a hungry man than to a hungry mule. We also believe that a starving American is as much entitled to be helped by American dollars as is a starving Belgian or Russian. We can not forget that this country, under the guidance of Mr. Hoover, advanced almost \$400,000,000 to feed and clothe destitute Belgians. We can not forget, that at

Mr. Hoover's instance, the American taxpayers advanced \$20,000,000 to feed starving Russians.

With want, cold, and hunger discouraging and dissatisfying millions of people, there are those who believe it more important to obtain a political advantage than to feed the hungry and clothe the cold. With knowledge that \$10,000,000 must be spent in five weeks' time, as little as \$2 per individual sufferer per week is spent to satisfy the gnawing of hunger and the sting of cold, the desire for political victory is apparently stronger than the desire to relieve the distress. A committee whose chairman confers with the President leisurely proceeds to have hearings to defend the political position assumed by the administration. The cry of distress throughout the land touches not the heart of administration leaders. Deaf to the wail of the hungry, blind to the sight of human misery, with callous indifference to the first principles of humanity, time is frittered away with witnesses who testify to not what is needed but what the administration has done. What matters it if people suffer in the midst of abundance and plenty? The present administration takes the position, and the Republican leaders support it, that the object of government is to protect money and not to serve the weak, hungry, and distressed. Mr. President, the deliberate and designed delay in voting relief to America's suffering millions is an example of gross materialism.

The sadness and tragedy of it all is that while this sport delays action, the hungry grow weaker and the cold grow colder.

The great heart of America is more interested in granting relief than whether that relief is supplied by voluntary contributions or taxation.

There will be a day of accounting. The issue must go to the people, and they will say whether the inalienable right to "life, liberty, and the pursuit of happiness" was written in our Constitution to guarantee the rights of Americans or Russians; the American mule or the American man.

#### FEDERALIZATION OF THE BARGE CANAL

Mr. COPELAND. Mr. President, there is for some reason very great opposition in my State on the part of many citizens to the federalization of canals. It is a surprising thing how much opposition there is to it. I notice that by that statement I have excited the interest of the Senator from Montana, but it is a fact that there is such a serious misapprehension of what the Senate did in connection with this enterprise that I desire to have printed in the RECORD a brief by Hon. Edward C. Carrington, relating to the federalization of the New York Barge Canal.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

#### A BRIEF FOR THE FEDERALIZATION OF THE BARGE CANAL

By Hon. Edward C. Carrington

The barge canal is an inchoate or, at best, a restricted waterway, having a theoretical minimum depth of 12 feet throughout the canal and an actual depth of 12 feet over the sills. It affords an overhead clearance of only 15½ feet. In other words, boats negotiating the passage of the canal must be no higher than 15½ feet from the surface of the water to enable them to pass under the several hundred bridges that span the waterway. It is, in a sense, a "narrow gaged" railway.

According to a letter from the then commissioner of canals, Maj. Thomas F. Farrell, under date of July 2, 1929, the Barge Canal has cost the taxpayers of New York approximately \$230,000,000. Annual maintenance (1928), including the following items, according to Major Farrell, is as follows:

Maintenance and operation	\$2,981,841.26
Capital charge	6,137,495.08
Permanent betterments	1,092,051.52
Claims paid	722,175.89

	10,933,563.75
Less receipts	359,936.91

Net cost to taxpayers	10,573,626.84
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Six per cent on this tidy sum of \$230,000,000 is \$13,800,000. Add to this the annual cost of maintenance and operation, and permanent betterments, and you have a grand total of some \$18,236,131.76 annually expended, or as representing interest on investment. This is a net outlay to the State of New York, as no tolls are charged for the use of the canal.



The annual tonnage of the barge canal from 1918 to 1930, inclusive, is as follows:

Year:	Tonnage
1918.....	677,374
1919.....	842,164
1920.....	891,221
1921.....	993,639
1922.....	1,485,109
1923.....	1,626,062
1924.....	1,691,766
1925.....	1,945,466
1926.....	1,935,278
1927.....	2,043,774
1928.....	2,535,684
1929.....	2,422,204
1930.....	3,605,457

The foregoing figures show that the tonnage of the barge canal since it was opened in 1918 has increased at the rate of 17.5 per cent per annum. The ratio of increase in 1930 over 1929 was in excess of 25 per cent. At this ratio of increase—say, 17.5 per cent per annum—in five or six years the Barge Canal will have reached the point of saturation. Some 7,000,000 tons per annum is its capacity. I have as authority for this statement the opinions of the Army engineers and of commissioner of canals, Mr. Ralph D. Hayes.

During the year 1930 the increase in tonnage in the barge canal over 1929 was 729,257 tons. When it is borne in mind that this happened during a period of great national depression, when there was an enormous loss of gross business by all carriers, this year's record in the canal is most encouraging. But it should be remembered that the annual tonnage of the barge canal is handled at an expense of some \$18,236,131.76 a year to the taxpayers of the State of New York. This is roughly \$6 per ton for every ton of freight hauled through the canal, and an amount in excess of that received by the operators in the way of transportation charges, the average cost per ton, New York to Buffalo, being approximately \$2 per ton.

There are 23,000,000 tons of American freight alone waiting to ebb and flow through this waterway. Justifying this statement, I quote the Hon. E. C. Drury, former premier of Ontario:

"The connection of the Lakes to the sea by a ship channel may be said to have become a settled policy of the American Government. Nor is this demand of this policy an unreasonable one. American trade experts estimate the amount of American commerce which will use this deep waterway to be as high as 23,000,000 tons per annum—nearly as much as the annual tonnage of the Suez or the Panama. This figure includes, of course, coastwise, intercoastal, and foreign trade. It is expected that 52 per cent of the total wheat exports of the United States will use the route, 43 per cent of the exports of meat, 34 per cent of the exports of agricultural machinery, and 39 per cent of the exports of automobiles \* \* \*"

What stands in the way of accommodating this enormous flow of tonnage through this waterway?

In the first place, the State of New York built this waterway and then opened it, toll-free, to the traffic of the Nation. No attempt has ever been made to sell or exploit its facilities. The State of New York never encouraged the actual operation of the canal. It merely dug the waterway, built the terminals, and left the rest to chance or individual enterprise.

In the second place, it has been a "football of politics." Shortly after Governor Smith was first elected governor he advocated scrapping the canal.

Gov. Franklin D. Roosevelt, in an address before the New York State Waterways Association in Albany, N. Y., on October 18, 1929, said:

"\* \* \* The last time I talked about the waterways or canals I said in a casual way over the air, just before I went south, what was perfectly true, and I hoped that the meaning was clear to any person of average intelligence in this State—with emphasis on the word 'average'—that as far as our barge canal goes, while it is darned good, and while it is being, I think, very well run, that it does not satisfy me. I think there are lots of ways in which we have got to improve the barge canal in the future. Then I went on and made what I thought was a perfectly fair statement, that in the future, unless we did something to improve the barge canal, we might just as well scrap it \* \* \*"

Because of the uncertainty as to its future, capital, in a large way, has been deterred from operating in the canal, not knowing what would be the political policy of an administration changing every two years in respect thereto.

In the third place, the 12-foot depth and low headway afforded by the bridges require special equipment.

The State of New York spent some \$1,500,000 in tapping the main canal with a branch to Utica, and in the construction of a very expensive terminal there. Nevertheless, during five years not one ton of freight was shipped out of this Utica terminal and only petroleum products were shipped in.

Included in the 1930 rivers and harbors bill, sponsored by Mr. S. WALLACE DEMPSEY, its chairman, is a proposal to federalize the Erie and Oswego legs of the barge canal, that is, to have the Federal Government take them over and maintain them for the use, not only of New York State, but the Nation. This proposal, as set forth in rivers and harbors bill No. 11781, reads as follows:

"The Secretary of War is authorized and empowered to accept from the State of New York the State-owned canals, known as the Erie and Oswego Canals, and to operate and maintain them

at their present depth, at an annual estimated cost of \$2,500,000 as barge canals only, and not as, or with any intention to make them ship canals, or to hinder or delay the improvement of the St. Lawrence waterway as a seaway from the Great Lakes to the ocean: *Provided*, That such transfer shall be made without cost to the United States, and without liability for damage claims arising out of said canals prior to their acquisition by the United States, and shall include all land, easements, and completed or uncompleted structures and appurtenances of the said waterways and their service: *And provided further*, That no project for the widening or deepening of these canals, or for the elevation of bridges in connection therewith, shall proceed without subsequent authorization of Congress \* \* \*"

Undoubtedly the proponents of the St. Lawrence waterway, inspired this provision limiting the waterway to a barge canal and providing that the headway under the bridges shall not be increased, nor the canal enlarged, and that it shall not interfere with the construction of the St. Lawrence waterway, without "a subsequent authorization of Congress."

This provision is objectionable and properly objectionable to a large number of people in the State of New York; that is, if it means anything. I submit that the statement is meaningless.

The Seventy-first Congress can not, by any declaration of policy in respect to the barge canal of New York, tie the hands of a future Congress and this statement was inserted merely to blunt the entirely unwarranted antagonism of some Western States in respect to the construction of the waterway through the State of New York via the Mohawk and Hudson Valleys rather than by way of the St. Lawrence Valley.

I believe that this antagonism is melting away. I believe that the people of the mid-West, especially those in the State of Illinois, are beginning to appreciate the present usefulness of the barge canal and its greater potential usefulness.

It may be interesting to know that Campbell's soup, manufactured in Camden, N. J., is now being shipped through the barge canal and unloaded at Chicago, all water.

Commodities from the Pacific coast are going through the canal—through the Panama Canal, then through the barge canal—finally being unloaded at the Great Lake ports. Lumber from the Pacific coast would come through the canal in enormous quantities at a saving of some \$7 per thousand feet were it not for the headway limitations due to the low bridges. It would be the greatest coal carrier in the world if its construction permitted the use of the proper type of vessels.

The problem confronting the people of the State of New York is: What shall be done with the waterway?

May I quote such a distinguished and august person as the governor of the State, the Hon. Franklin D. Roosevelt, who, in an address before the New York State Waterways Association, at Albany, N. Y., on October 18, 1929, said:

"\* \* \* My thought is that some future day, which in my judgment is going to come, we will definitely have a ship canal across the State of New York and, until it comes, that it will be better as a financial policy for us to do the best we can with our present canal, and, instead of adding a foot here and a foot there and the very heavy cost, that we should do the best we can with what we have until we do make the change. That doesn't mean that we can not all work for this major change, which, I think, is bound to come about some day. It means the elimination of the permanent bridges which to-day span the barge canal. Just as long as you have permanent bridges you will have the canal type of vessels, and just as long as you have the canal type of vessels you will have the limitations which the canal suffers from."

"I want to make it perfectly clear that I am in favor of a much bigger and better canal than we have now, but we can not get it until we can sell the idea to the people of the State \* \* \*"

Who will improve it? The State of New York? If so, to what extent and how will the cost be paid? Will it be paid by being added to the general taxes? Will this square with the views of the farmers and merchants, especially those at a distance from the waterway? Is the State of New York prepared to properly develop the canal by the expenditure of some \$506,000,000, the amount fixed by the Army engineers as necessary to deepen and widen it from Oswego to tidewater at Troy, and a further sum of \$171,000,000 to improve it likewise from Buffalo? Will the opponents of federalization say now, frankly and candidly, that, as an alternative to the proposition of the United States Government, they are prepared to advocate that the State of New York shall properly develop the Barge Canal in accordance with the views of Governor Roosevelt? If not, what is the alternative?

What Congress says, in effect, is that the Federal Government will take over the Erie and Oswego legs of the Barge Canal and that the future Congresses will deal with their enlargement and development. When the Government takes them over they will be added to the rivers and harbors of the United States. This would round out a system of inland waterways reaching from the Gulf of Mexico through the Mississippi Valley to the Great Lakes and then from the Great Lakes down the Mohawk and Hudson Valleys to the Atlantic Ocean. The great system of inland waterways would then be inaugurated under the control of the United States Government. I use the word "inaugurate" advisedly because, as I see it, the Federal Government can be trusted to develop these waterways as their development becomes justified.

Some of our friends in Albany suggest that the United States Government can not be trusted to take over the barge canal. I submit that this comes with poor grace from Albany, inasmuch as the Federal Government is spending some \$12,000,000 to bring



the Atlantic Ocean to our State capital, with a 27-foot channel, making it one of the most important inland ports of the world.

This deepening of the Hudson River to Albany is the result of congressional action, and the United States Government will maintain it as a 27-foot channel now, and for all times. If it can be trusted to maintain this channel, it certainly can be trusted to add the barge canal to the rivers and harbors of the United States and deal with it as it deals with other navigable waters under Federal jurisdiction and control.

The State of New York built the barge canal, and it is a great asset to all the people of the State, but since it was built and put in commission not one gesture has been made by the government of the State of New York, either by the executive or legislative branches of this government, to do one thing toward its enlargement or development, notwithstanding that active propaganda has been conducted from 21 mid-Western States to build the St. Lawrence waterways, which would divert a large part of the traffic that should come down from the Great Lakes to the greatest consuming and distributing center in the world—the city of Greater New York.

As to the Champlain and Cayuga-Seneca ends of the canal, if these canals are not to be taken over by the Federal Government, then the State of New York should at all times maintain them on a parity with the two Federal legs of the canal, the Erie and Oswego.

As I have heretofore indicated, some doubt has been expressed by those opposed to the federalization of the barge canal as to the trustworthiness of the United States Government in respect to the future development of this waterway.

The Hudson River from its mouth northerly to the head of tidewater at Troy is under Federal jurisdiction. The first lock of the canal, at Waterford, as well as the dam at Troy, are under Government control. As a matter of fact, the Government holds the "key" to the entire canal system from the mouth of the Mohawk to Lake Erie and Lake Ontario through control of Lock No. 1. This lock is 44.44 feet wide, as against 45 feet, the width of the lock chambers of the other locks of the State-controlled waterway. Federal Lock No. 1, therefore, now limits and restricts the entire State owned and controlled system. In a sense, the Erie-Oswego, Cayuga-Seneca Canals are at present controlled by the Federal Government, at least so far as future expansion and development are concerned, as well as present navigation.

The greatest asset of New York State is its waterways. The melting snows of the Adirondacks, the Berkshires, Catskills, and Helderberg Mountains, impounded in her lakes, ultimately find their way to the Atlantic Ocean, forming a great natural system of inland waterways.

On these waterways great cities have been built, and they have made the State of New York the Empire State of the Nation. They must be maintained and developed in order that at all times it will continue to be the Empire State.

It is evident to every intelligent person that the barge canal must be developed and enlarged. It will continue to be more useful, even with its present limitations, as it is "nature's gateway to the sea from the heart of the continent," but it must be developed into a seaway that at least comports with the depths of the channels and harbors of the Great Lakes ports.

It is fatuous to assume that the State of New York will spend some five or six hundred millions to build this waterway as a gift to the Nation without a system of tolls being imposed to defray the interest charges and cost of maintenance. Therefore, there is only one alternative and that is, having the entire Nation contribute to the work.

The benefits that would accrue to Chicago, Duluth, Detroit, Cleveland, and Toledo by the development of the canal would be as great as those accruing to the State of New York, and those communities should pay their proper proportion incident to the cost of construction and maintenance.

It has been said that the Barge Canal, because it forced the railroads to maintain lower freight rates in the Mohawk and Hudson Valleys, saves the taxpayers some \$50,000,000 per annum. This condition no longer exists, inasmuch as the railroads serving this territory have been notified by the Interstate Commerce Commission that they will be placed on a parity, as to freight rates, with other carriers serving other territory. The new freight rates are predicated on mileage and the Mohawk and Hudson Valleys will no longer be favored in the matter of railroad freight rates over Pennsylvania, Maryland, New Jersey, and other Eastern States.

As soon as the Federal Government takes over this canal and adds it to the rivers and harbors of the United States, I assume, having implicit faith and confidence in the Government's willingness to do the appropriate thing with the waterway, that it be not only maintained as it is, but will be enlarged and developed as circumstances and conditions justify and warrant its enlargement and development. Moreover, I believe that acceptance of the proposal of the Federal Government, involving the cession of the Erie and Oswego legs of the canal, will be the most forward step toward defeating the St. Lawrence project.

Why should the United States Government contribute to the cost of constructing the St. Lawrence waterway when it already has the only route that nature has afforded that will accomplish the same end, namely, furnishing an outlet to the land-locked ports of the Great Lakes to the Atlantic Ocean, at Albany.

Four and a half million dollars per annum, the present maintenance charge of the barge canal to the taxpayers of New York, is 4½ per cent on \$100,000,000. In other words, the people of the State of New York can build \$100,000,000 of State roads, hospitals, penal institutions, and other things for the benefit of the people

of the State of New York from the saving alone afforded by ceding the barge canal to the Federal Government. One hundred million dollars, after all, is quite a tidy sum even to the richest State of the Union.

In order to meet the situation which will arise when the saturation point having been reached, the barge canal will be carrying all the freight it can carry, plans to enlarge it should be made now, and such enlargement or development should be by the State of New York or by the Federal Government.

Opponents of Federal acquisition under the rivers and harbors bill should, while repudiating Federal control, at least frankly come forward and provide for development by the State of New York under some appropriate arrangement—the issuance of bonds against the cost of construction and the charging of tolls to provide for interest, amortization, and cost of maintenance. There is no reason why the State of New York should maintain this waterway for the benefit of the lake port cities, as it is at present used almost exclusively for through traffic. Very little, if any, tonnage is picked up or discharged at points along the canal in New York State.

#### EXHIBIT A

[The Great Lakes-Hudson Waterways Association, the all-American route. Edward C. Carrington, chairman; Eugene F. Moran, vice chairman; John P. Magill, treasurer, 27 William Street, New York City]

NOVEMBER 17, 1930.

HON. HAMILTON WARD,  
Attorney General, Albany, N. Y.

DEAR GENERAL WARD: Our association is very vitally interested in the proposed acquisition of the New York State Barge Canal by the Federal Government, as proposed by the rivers and harbors bill, H. R. 11781. The act provided as follows:

"The Secretary of War is authorized and empowered to accept from the State of New York the State-owned canals, known as the Erie and Oswego Canals, and to operate and maintain them at their present depths, at an annual estimated cost of \$2,500,000, as barge canals only and not as or with any intention to make them ship canals or to hinder or delay the improvement of the St. Lawrence waterway as the seaway from the Great Lakes to the ocean: *Provided*, That such transfer shall be made without cost to the United States and without liability for damage claims arising out of said canals prior to their acquisition by the United States, and shall include all land, easements, and completed or uncompleted structures and appurtenances of the said waterways and their service: *And provided further*, That no project for the widening or deepening of these canals or for the elevation of bridges in connection therewith shall proceed without subsequent authorization of Congress."

The question has been raised that if the State of New York cedes this canal under the condition of the bill that they enter into a binding contract with the Federal Government which would limit the Federal Government from deepening or developing it, elevating the bridges in connection therewith, or making of it a ship canal, and that such limitation will rest upon the Federal Government, notwithstanding the provision in the bill itself, which says:

"\* \* \* *And provided further*, That no project for the widening or deepening of these canals or for the elevation of bridges in connection therewith shall proceed without subsequent authorization of Congress."

Would you be good enough to give an opinion as to the effect of this bill upon the widening or deepening of the barge canal, the elevation of its bridges, and the making of it a ship canal in the future, provided before doing so authorization of Congress is obtained.

Thanking you for your prompt attention, and with kind personal regards, I am,

Sincerely yours,

EDWARD C. CARRINGTON,  
Chairman Great Lakes-Hudson Waterways Association.

#### EXHIBIT B

NOVEMBER 21, 1930.

MR. EDWARD C. CARRINGTON,  
Chairman the Great Lakes-Hudson Waterways  
Association, 27 William Street, New York, N. Y.

MY DEAR MR. CARRINGTON: Your letter of the 17th, addressed to the attorney general, has come in during his absence on the argument of the Delaware River diversion case. As he is not expected to return until about the 1st of December, I am answering your letter in his behalf.

The attorney general is not authorized to render opinions to others than the departments and officers of the State government, and the views which I shall express are accordingly entirely informal and unofficial.

You inquire whether, if the State of New York should cede the Erie and Oswego Canals to the Federal Government in accordance with the rivers and harbors bill (H. R. 11781), the State would have entered into a binding contract with the Federal Government which would prevent that Government from deepening or developing the canals, elevating the bridges in connection therewith, or making of them ship canals. You make this inquiry because of the provision in the rivers and harbors bill limiting the authority of the Secretary of War to accept such canals "as barge canals only, and not as, or with any intention to make them ship canals, or to hinder or delay the improvement



of the St. Lawrence waterway as the seaway from the Great Lakes to the ocean," and the further provision that "no project for the widening or deepening of these canals, or for the elevation of bridges in connection therewith, shall proceed without subsequent authorization of Congress." It is understood, of course, that the legislature will be without power to cede these canals to the Federal Government unless and until a constitutional amendment authorizing such action is adopted.

The answer to your question would seem to me to depend upon the terms of the act which the State legislature shall adopt for the transfer of title and upon the amendments which Congress may make to the present provisions of the rivers and harbors bill. If the proposed constitutional amendment is adopted the legislature will have full authority to cede these canals either without conditions or upon such conditions as it may see fit to impose and which are acceptable to the Federal Government. The provisions of the present rivers and harbors bill from which I have quoted may, of course, be altered by Congress at any time, either before or after action by our State legislature. If the State legislature should cede the canals without the conditions contained in the present act of Congress, and the Congress should, by an amendment of the present rivers and harbors bill repeal those conditions, there would seem to be nothing to prevent the Federal Government from improving and operating the canals as ship canals.

The matter seems to be one for agreement between the Federal and State Governments, in which Congress has full authority to act for the Federal Government and the legislature for the State government.

Very truly yours,

WENDELL P. BROWN,  
Third Assistant Attorney General.

#### EXHIBIT C

[The Great Lakes-Hudson Waterways Association—The all-American route. Edward C. Carrington, chairman; Eugene F. Moran, vice chairman; John P. Magill, treasurer; 27 William Street, New York City]

DECEMBER 10, 1930.

HON. ROYAL S. COPELAND,  
United States Senate, Washington, D. C.

DEAR SENATOR COPELAND: Under what I believe is a very gross misapprehension, some opposition has developed in or about Albany, in respect to the cession of the barge canal by the State of New York to the Federal Government. You know that I am vitally interested in the enlargement of this canal into a waterway that will accommodate the enormous tonnage that will ebb and flow from the Great Lakes' ports to the port of New York and those on the Atlantic seaboard, and through the Panama Canal to those on the Pacific coast, as well as the Orient.

Accordingly, I would like you frankly to interpret what is your judgment and belief will be the effect of ceding the barge canal to the Federal Government under rivers and harbors bill No. 11781. Will it be enlarged and developed; that is, will the locks be lowered in the sills and the depth throughout the canal increased so as to accommodate vessels loaded to 14 feet; and what, if anything, in your judgment, will be done in respect to giving greater headway than the present 15½ feet now afforded by the bridges that span the waterway?

I am preparing a brochure to be distributed to the members of the legislature and newspapers throughout the State, and want to incorporate your letter therein as Exhibit B. I am setting forth my own personal views therein in respect to the federalization of the barge canal, and would appreciate having your own views in the matter, as much in detail as possible.

The restrictions imposed by the Senate and House conferees, in my opinion, are meaningless and can be changed by the present or any future Congress.

Kind personal regards at all times.

Cordially yours,

EDWARD C. CARRINGTON,  
Chairman Great Lakes-Hudson Waterways Association.

#### EXHIBIT D

UNITED STATES SENATE,  
Washington, D. C., December 22, 1930.

DEAR COLONEL CARRINGTON: Anyone familiar with legislation realizes that one Congress can not bind another. It is the privilege of the Congress to change its mind every session. That bit of philosophy applies to the New York Barge Canal.

There was a vigorous minority in the Commerce Committee insisting that no action must be taken which closed the door to the possibility that some future Congress might favor the St. Lawrence canal. If you have read the CONGRESSIONAL RECORD reporting the discussions which took place when the bill was before the Senate, you will find that Senator WALSH of Montana tried to get me to commit myself against any effort to deepen the barge canal to fit it for ocean-going vessels. I declined to do so, saying:

"I am perfectly set in my opinion that to build an all-British canal would be an absurd thing. I do not believe in it. I do not want anybody here to vote for this project in the belief that I think it is a good thing to build a St. Lawrence canal, because I do not."

There is no agreement on the part of the Senate that there will be no deepening of our canal. What was done relates merely to

the present. In the hearings it was understood that reasonable deepening for barge purposes will be done very soon. Of course, as radical a thing as making it a waterway for ocean-going ships must have legislative action and suitable appropriations.

Our State must decide whether it will keep this property and from time to time make the necessary improvements, or whether it shall turn it over to the Federal Government, trusting to it to make the necessary improvements. So far as my judgment is worth anything, it is in favor of having the Federal Government take over the property, making it at once a part of our inland waterways. If that is accomplished, I have no question that ultimately it will be improved to the last degree.

Cordially yours,

ROYAL S. COPELAND.

#### EXHIBIT E

[The Great Lakes-Hudson Waterways Association, the All-American Route, Edward C. Carrington, chairman; Eugene F. Moran, vice chairman; John P. Magill, treasurer; 27 William Street, New York City]

DECEMBER 10, 1930.

HON. S. WALLACE DEMPSEY,  
Chairman Rivers and Harbors Committee,  
House of Representatives, Washington, D. C.

MY DEAR MR. DEMPSEY: Under what I believe is a very gross misapprehension, some opposition has developed in or about Albany, in respect to the cession of the barge canal by the State of New York to the Federal Government.

You know that I am vitally interested in the enlargement of this canal into a waterway that will accommodate the enormous tonnage that will ebb and flow from the Great Lakes' ports to the port of New York and those on the Atlantic seaboard, and through the Panama Canal to those on the Pacific coast, as well as the Orient.

Accordingly, I would like you frankly to interpret what in your judgment and belief will be the effect of ceding the Barge Canal to the Federal Government under rivers and harbors bill No. 11781. Will it be enlarged and developed; that is, will the locks be lowered in the sills and the depth throughout the canal increased so as to accommodate vessels loaded to 14 feet and what, if anything, in your judgment will be done in respect to giving greater headway than the present 15½ feet now afforded by the bridges that span the waterway?

I am preparing a brochure to be distributed to the members of the legislature and newspapers throughout the State and want to incorporate your letter therein as Exhibit A.

I am setting forth my own personal views therein, in respect to the federalization of the barge canal, and would appreciate having your own views in the matter as much in detail as possible.

The people of the State of New York should be, and are with some few exceptions, deeply appreciative of the great service you have rendered your State and Nation in affording the opportunity to have the barge canal of New York incorporated as an integral part of the rivers and harbors system of our Federal Government.

The restrictions imposed by the Senate and House conferees, in my opinion, are meaningless and can be changed by the present or any future Congress.

Kind personal regards at all times,

Cordially yours,

EDWARD C. CARRINGTON,  
Chairman Great Lakes-Hudson Waterways Association.

#### EXHIBIT F

COMMITTEE ON RIVERS AND HARBORS,  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., December 29, 1930.

MR. EDWARD C. CARRINGTON,  
Chairman Great Lakes-Hudson Waterways  
Association, 27 William Street, New York City.

DEAR MR. CARRINGTON: I have just dictated a statement giving reasons why the State of New York should turn over the Erie and Oswego to the United States Government, as requested in your favor of the 23d. It will be inclosed with this letter. I am leaving Washington this evening for an absence of a week or more.

With best wishes for a happy new year, I am,

Cordially yours,

S. WALLACE DEMPSEY.

MR. DEMPSEY'S statement follows:

The State of New York should approve the transfer of the Erie and Oswego Canals to the Federal Government for the following reasons:

(1) The canals are used for the transportation of freight between all the States. They are not simply State canals.

(2) Therefore the State should not be put to the expense of their maintenance or improvement. It is the only State which does this. So it not only pays for the maintenance and improvement of its own canals, but it contributes for these expenses for all waterways outside the State.

(3) The State will save at once the maintenance of the canals, which will amount to about \$3,000,000 a year—a large sum—and an important saving to the New York State taxpayers.

(4) The canals are not likely to be improved by the State, although they need improvement so that barges of a capacity to make transportation on them economical, and so as to make them equal in capacity to their competitor, the St. Lawrence Canal.



(5) The St. Lawrence now has a navigable depth of 14 feet and accommodates barges carrying 3,500 tons. With the same depth the Erie and Oswego Canals will carry slightly more because of certain improvements in locks made since the St. Lawrence was improved.

(6) The South and the West both, in these two canals, have transportation eastward of grain, automobiles, and steel products; and for transportation westward of oil, sulphur, sugar, lumber, and many other products.

About 800,000,000 bushels of grains are grown annually in the United States. Six hundred million bushels are consumed annually in our own country. There are about 60,000,000 people, or half our population, within the influence of the cheap transportation of these two canals. We raise only 5 per cent of our wheat there. The rest must come from the West, and the West will be just as anxious to have these canals improved as the people of New York State will be.

(7) It will cost about \$100,000,000 to give a navigable depth of 14 feet to the two canals and bridge clearances of 20 feet. This amount, in my judgment, will be appropriated and expended within a very short period after the transfer of the canals to the Federal Government is completed.

(8) It will add greatly to the usefulness of the canals to have them, as all of the other waterways of the Nation are, under Federal maintenance, improvement, and operation. It is inconvenient and increases the price and lessens the convenience of transportation to have the one link of the canals under State control, with the waterways at both ends under Federal operation.

(9) With the Federal Government, which is in the business of maintaining and improving waterways, in control of the two canals, there can be no doubt of the improvement of the canals, of their use to capacity, and of their proving yearly more valuable to the great State of New York and to the whole Union. With 100,000,000 tons of commerce in New York Harbor at the east end of the canals, and with 150,000,000 tons of commerce at the west end of the canals on the Great Lakes, with the great industrial center of the country around the canals, and with the food supply of the country to the west, the coal to the southwest, and the ore of the country to the northwest, these two canals occupy a position better adapted to and more certain to develop a great volume of commerce than any other waterways in the world.

#### EXHIBIT G

[Reprint from Bureau of Railway Economics (Special Series No. 56, 1930)]

#### NEW YORK STATE BARGE CANAL

The State of New York officially opened the Erie Canal in 1825, although traffic moved over the middle section of the Erie as early as May, 1820. Several smaller canals followed, the total length of all canals in 1836 being 646 miles.

Three enlargements of the canal system of the State have since taken place. The first was from 1836 to 1862; in the latter year the canal system aggregated 884 miles. Between 1863 and 1894 several canals were abandoned, for a total distance exceeding 300 miles.

The second enlargement occurred between 1894 and 1897, when the available funds ran out. The aggregate length of the State canal system at this time was 602 miles.

The third enlargement was authorized in 1903 and transformed the principal canals—Erie Canal, Oswego Canal, Champlain Canal, and Cayuga and Seneca Canal—into a State barge canal system, the remaining units being for the most part abandoned as traffic carriers. The total length of the barge canal is 525 miles.

From 1820 to 1882 tolls were charged by the State on its canals. Total receipts from tolls during this period were \$134,900,021. Tolls showed a gradually rising tendency to 1862, when they reached a peak of \$5,188,943, then gradually declined. Since January 1, 1883, the canals have been free to boat operators, the State paying all costs of canal construction and maintenance out of the State treasury.

Traffic on the canals rose gradually to 1872, when the peak was reached, with 6,673,370 tons. It then declined. The barge canal (after being opened over its whole length in 1918), although constructed to a theoretical annual capacity of 20,000,000 tons, has never carried more than 3,090,000 tons (1928), and the annual average for the 10 years from 1920 to 1929 was 2,186,531 tons.

The canals of New York State cost the people of that State a net total of \$73,000,000 to 1902. Since 1902 the barge canal cost the State a total of \$273,000,000, making a grand total of \$346,000,000 from 1817 to 1929. This sum represents the aggregate cost of construction of all the canals, canal-operating and maintenance expenses, and interest paid on canal bonds minus receipts from tolls and from miscellaneous sources. The costs exclude operating and maintenance charges during the construction period of the barge canal.

The rivers and harbors act of 1930 authorized the Secretary of War on behalf of the Federal Government to accept the barge canal as a gift from New York State, to be thereafter owned and maintained by the United States. New York has not yet taken official steps to carry out its part of this proposal.

A recent joint report of the Corps of Engineers and United States Shipping Board has laid down the principle that the cost of water transportation, when such cost is to be compared with the corresponding cost of rail transportation, should include interest charges on the capital investment in waterway improvement plus the annual cost of operation and maintenance.

Adopting this basic principle and applying it to available statistics regarding the Mississippi River, the Ohio River, and the New York State Barge Canal, it appears that—

A. Transportation costs on the Mississippi River are not less than 11.17 mills per ton-mile, when allowance is made for circuitous river channels; on eight railways more or less paralleling that river the inclusive average freight charge per ton-mile is 10.09 mills.

B. Transportation costs on the Ohio River, similarly determined, are not less than 12.36 mills per ton-mile on seven railways more or less paralleling that river, the inclusive average freight charge per ton-mile is 8.83 mills.

C. Transportation costs on the New York State Barge Canal are computed at 19.41 mills per ton-mile; on the railways of the eastern district the inclusive freight charge per ton-mile is 10.90 mills.

#### THE MERCHANT MARINE—ADDRESS BY REPRESENTATIVE FREE

Mr. COPELAND. Mr. President, I hold in my hand an address which was delivered by Hon. A. M. FREE, a Member of the House of Representatives from California, entitled "Our Merchant Marine." It was delivered before the Society of Naval Architects and Marine Engineers in New York on November 14, 1930. I myself heard the address, and it contains such a vast amount of useful information regarding the American merchant marine that I venture to ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Early in 1927 an outstanding authority on merchant marine stated that "if the present trend continues, the American flag will disappear from the seas in 16 years."

This would have been but an instance of history repeating itself and would have been the second passing of the American merchant marine.

But fortunately the United States Congress has come to the rescue and to-night I feel I can safely say that the American flag is more firmly entrenched upon an American merchant marine than it has been during the last century. Before the Civil War the American merchant marine was a power on the seas and our wooden ships carried a large proportion of our export trade. The Civil War brought changes and greater competition but still the American clipper ships successfully met the competition of foreign flags.

The advent of iron and steel ships brought about adverse conditions to the American ships, and with the power of steam entering into the marine conditions Great Britain subsidized British yards, made large payments for carrying her mails to aid the British shipbuilders and operators, while the United States Government made but two feeble efforts to hold her position on the sea.

Once the United States Government heavily subsidized the Collins Line to build two American steamships under an agreement that these ships should be faster and better than anything that could be built by Great Britain. This experiment demonstrated that the American shipyards could turn out an American steamship the equal, if not the superior, of any, and from 1850 until the United States ceased to meet the growing Government aid furnished by Great Britain, the ships of the Collins Line showed their superior sailing qualities.

Also in 1847 Congress offered a yearly subsidy of \$200,000 for 10 years to any company that would guarantee to furnish five ships and transport two mails monthly each way between New York and Panama; and a yearly subsidy of \$199,000 for 10 years to any company operating three vessels and carrying one monthly mail each way between Panama and Oregon. The vessels must be "strongly constructed" and built under Government supervision; they must be "easily convertible into war steamers" and captained by United States Navy officers in case of war.

The Pacific Mail Steamship Co., organized in New York in April of 1848, undertook the Pacific coast contract. Three sidewheelers were promptly built and put into service—the *California*, of 1,050 tons; the *Oregon*, of 1,099 tons; and the *Panama*, of 1,087 tons. This was an impressive fleet at a time when ocean steam navigation was in its infancy and thousand-ton steamers were rated giants. All three vessels rounded Cape Horn under their own steam.

The *California* was the first of the fleet to sail for the Pacific coast. She steamed out of New York Harbor on October 6, 1848.

The steamship service, through its passenger, freight, and mail facilities, assisted enormously in the swift development of California's gold fields and of San Francisco, the gold port. And certainly the gold rush swept to rapid prosperity what had been a doubtful venture at the outset—the steam navigation of the Pacific coast.

The steamship company grew, of course, by leaps and bounds. In 1848 the three original vessels of the fleet made 11 trips in all, and carried many hundreds of passengers. In 1849 three additional steamers were put into service, 14 trips were made, and 3,959 passengers transported; in 1850, 21 ships were operated on regular schedule, 141 runs were recorded, and 7,118 passengers listed. In 1851 bimonthly mail deliveries were inaugurated. During the years that followed service and facilities continued to improve rapidly. Other steamship lines sprang into existence.



By 1853, 180 steamers were engaged in the California trade—most of them coasters. Not for some years was the speedy and picturesque clipper ship to yield first place in the passenger trade, but steam navigation, no longer an experiment, was beginning to edge the sailing vessel off the seas.

The Pacific Mail Steamship Co. perhaps placed America in the ocean steam-navigation field just in time to prevent England from dominating Pacific navigation as she was dominating the Atlantic trade.

Founded soon after the Cunard Line, the Pacific Mail Line was the second ocean-steamship line in existence. From the first, operating in conjunction with the east-coast line which set down passengers on the Isthmus, it brought San Francisco within 89 days of New York—a tremendous saving of time and travel. The *California* took 145 days for the trip around the Horn from New York. Her first run between Panama and San Francisco took four weeks. The subsequent runs of 1849 varied from 17 to 23 days in length, the *Panama* making the record of 17 days on her first trip.

It was the *Oregon* that brought the news to the Pacific coast that California had been admitted to the Union.

Our coastwise shipping showed rapid and constant development, but, with the growing competition of Great Britain and the failure of the Government to pay the necessary subventions, our ships in the foreign trade practically disappeared from the seas.

The following figures show the amount of our foreign trade carried in American ships at different periods:

	Per cent
1830	89.9
1840	82.9
1850	72.5
1860	66.5
1870	35.6
1880	17.4
1890	12.9
1900	9.3
1910	8.7
1920	42.7
1924	36.3
1925	34.1
1926	32.2

These figures show a decline in the 80 years, from 1830 to 1910, of 81.2 per cent, and in the 6 years, from 1920 to 1926, of 10.5 per cent.

In 1901 the United States had practically ceased to be a power in the foreign trade and we carried but 9 per cent of our own export trade in American ships, and in 1913, just before the World War, we were carrying practically none of our foreign trade under the American flag.

Before the entrance of the United States into the World War, merchant marine activities in the foreign trade had been reduced to a minimum, as there were but six ships with the aggregate of 70,000 dead-weight tons under the American flag in the foreign trade, five ships sailing from the Pacific coast in the Far East trade, and our American merchant marine in the foreign trade was in a condition that sooner or later the American flag would have ceased to be seen in that trade.

After the outbreak of the World War we found ourselves in terrible condition. Foreign nations had withdrawn their ships to be used in the war and we were without means of transporting our commerce.

I remember after the World War started, I was in Seattle, and saw a friend who was a manufacturer in San Francisco, on the docks at Seattle trying to get transportation for some of his goods to the Orient. I said to him, "Why are you here trying to get these goods shipped out of Seattle; why do you not get them shipped out of San Francisco?" His reply was, "There is no line running out of San Francisco that is taking such goods, because the ships carrying such goods to other countries have been taken away to be used in the war." That made me think back to a time when in San Francisco I saw the fighting fleet of the United States proudly entering the port at San Francisco. I remember my feelings that day when I saw those wonderful warships coming in on that beautiful day, and realized that our battleships had been supplemented by merchant ships chartered from a foreign nation to supply our fighting fleet with coal.

When we got into the war what a helpless spectacle we were. Thousands of men had to be sent to Europe with their fighting equipment and supplies, and we had no ships. The first appeal of General Pershing was "build ships and more ships, span the Atlantic with ships." So the United States Government entered into a very extravagant building program and spent \$3,000,000,000 and built 10,466,000 gross tons of shipping, and had a merchant fleet second only to Great Britain.

We had perhaps better forget that feature of our history, making mistakes which meant that much money was lost. Many ships were built that were useless, and perhaps we should look upon them like so much shot and shell used to win the war. It was part of the expense we had to pay for having no American merchant marine. But, of course, you could not expect to build good ships that would vie with those from the yards of other countries, because we had permitted our shipyards to decline, and did not have the men to build the ships in such a hurried time as that. But when the war was over, we had those ships in very good condition. What was to be done with them? Congress then determined that we would not again get off the sea, and so we started through the Shipping Board to establish trade routes throughout

the world, and I want to say for the Shipping Board that they did a mighty good job. They established the fact that you could depend upon the ships sailing at a particular time. They became dependable. The trade routes became dependable, and we established Government trade routes throughout the world. Then came the policy of selling those trade routes and the ships to private interests, which I think very generally met with the approval of the people of this country. Then we came to find out that those ships themselves were beginning to wear out; they would have to be replaced and something would have to be done about them. Back in 1921, Congress tried to do something with regard to shipping. I remember being over at the White House on several occasions when Mr. Harding was President, in company with members of the Merchant Marine Committee, trying to work out some plan to help the shipping. We finally got together on a so-called subsidy bill, but that was sunk before it got started, because it had the word "subsidy" attached to it. We did, however, get that bill through the House, but it was talked to death in the Senate.

Nothing much was done for several years to try to help shipping. Some of us, however, kept thinking about shipping, how something could be done; and finally, in 1928, the Senate passed an innocuous bill which was mostly law already in existence and partly a public ownership bill, and it came to our committee.

We amended the Senate bill and inserted in it certain aids to shipping. Some of those were afterwards eliminated in conference between the House and Senate, but we got out of that bill two great aids that have made this shipping program possible to-day—that of the construction loan fund and that of mail contracts.

One thing happened between 1921 and 1928 that helped to get this bill over. The Middle West had been against anything that sounded like "subsidy," but during the coal strike in England, England withdrew her ships. There was no way of transporting the wheat from the Middle West to the markets of the world, and the farmers of the Middle West realized that they were dependent upon the merchant marine. Then it was that your Shipping Board came to the relief of the farmers and provided ships out of the laid-up ships that transported that crop of wheat. That brought about the unanimous feeling of the United States that it must have a merchant marine. Of course, there was a division as to whether it should be publicly or privately owned. Now, we have gone ahead on that several steps. We have established the fact of the necessity of a merchant marine, and it is, I think, very generally believed that that merchant marine should be privately owned. It is now believed that a merchant marine privately owned should be added to the extent of putting it on an equality with the shipping concerns of foreign countries.

It costs nearly twice as much to build a ship in this country as it does in foreign countries, and our cost of operation is also higher.

Assisted private ownership is the order of the day. The Government has reduced its merchant ships from 2,300 ships in 83 lines to 217 ships in active service on 17 lines and 254 ships available in the lay-up fleet; 553 ships were scrapped.

We have made real progress as a result of the passage of the Jones-White bill.

In 1914 there were but six ships with an aggregate tonnage of 70,000 tons under the American flag in our trade with Europe; to-day there are over 230 ships of 1,500,000 gross tons. In 1914 our trade with South America was carried in 5 ships aggregating 23,000 tons under the American flag; to-day we have 90 ships of 550,000 gross tons.

In 1914 we had no American-flag ships in the trade with the African continent; to-day we have 22 ships of 125,000 gross tons. In 1914 there were 5 ships flying the American flag operating out of Pacific coast terminals to the Far East; to-day there are 140 ships of a million gross tons operating in the trade with Asia.

Comparing the 1910-1914 period with that of 1929, our trade with Europe has increased 50 per cent, with South America 200 per cent, with Africa 325 per cent, and with Asia 380 per cent.

At the present time there are 83 American-flag lines in established service, consisting of 671 ships totaling 3,866,000 gross tons, and in addition to these vessels we have a tanker fleet under the American flag of 259 vessels with an aggregate tonnage of 1,712,000 gross tons, making a total of 930 vessels of over 5,500,000 gross tons operating in the foreign and noncontiguous trade. During the last year 5,200 vessels of nearly 24,500,000 gross tons, flying the flags of 30 countries, participated in the transportation of passengers and freight passing through 177 American ports and 1,400 foreign ports. These vessels carried over 111,000,000 long tons of freight valued at over \$8,000,000,000, and American-flag vessels carried 45,400,000 tons, or nearly 41 per cent of the total.

The total water-borne traffic on the Pacific coast in 1925 was 72,000,000 long tons, which in 1929 exceeded 84,000,000 tons, an increase of 17 per cent. The foreign commerce of the Pacific coast in 1925 was 10,868,000 tons; in 1929, 16,778,000 tons, an increase of 54 per cent. The intercoastal traffic in 1925 was 8,600,000 tons and in 1929, 10,600,000 tons, an increase of 47 per cent. The coastwise trade in 1925 approximated 50,000,000 tons, and in 1929, 54,000,000 tons, an increase of 8 per cent. The trade with non-contiguous territory in 1925 was 2,600,000 tons and in 1929, 2,800,000 tons, an increase of about 8 per cent.

Thus we see that the water-borne commerce of the United States has continued to increase since the time the United States changed its inactive policy and an entire disregard for its merchant marine to an active policy which has caused this tremendous increase in the merchant marine commerce of this country.



All important routes from the United States to other ports of the world are now served with American owned and operated ships, with 96 such routes in operation.

In addition, completed ship construction for the first seven months of 1930 has totaled 199,235 tons, as against 208,800 for the entire year of 1929. The tonnage under contract or building on July 1 totaled 487,000, as against 170,000 on the same date last year.

Under authority of Congress, the Shipping Board has loaned \$43,678,000 to shipowners for the construction of vessels, and commitments have been taken for a further \$82,068,000.

Since the new policy of greater insistence upon new construction was adopted two years ago, 46 new vessels have been contracted for at a cost of \$184,000,000, in connection with the award of 16 mail contracts entailing an expenditure of \$14,000,000 annually for 10 years. Prior to the adoption of this policy 24 mail contracts had been awarded for \$14,000,000 annually, with only 16 vessels required to be constructed.

What of the future? Another Congress has just been elected. There will be about 70 new faces in that Congress. Let us hope they will be ship minded. The friends of an American merchant marine must see to it that they get the real picture and that we do not turn backward.

Another thing must be thought about. All the new building has been in the shipyards on the Atlantic coast. This should be distributed among the yards in all parts of our country. Give every section a share of this building, even though there may be some disadvantages in doing so.

We must maintain the splendid feeling toward an American merchant marine and never again permit our flag to leave the seven seas.

#### CONSOLIDATION OF EASTERN RAILROADS

Mr. SWANSON. Mr. President, I have a very instructive and interesting article written by Mr. K. Foster Murray, a very talented newspaper man, published in the *Virginian-Pilot* of Norfolk of January 11. It is in connection with the consolidation of the four eastern systems of railroads. It is a very instructive article and contains a great deal of information pertaining especially to the eastern section of the country. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the *Virginian-Pilot*, January 11, 1931]

RAIL LINE MOVES INDICATE LOSS OF INTEREST IN PORT—WILLINGNESS OF LOCAL ROADS TO DESTROY OLD EQUALITY IN RATES WITH BALTIMORE NOW SEEN AS LINKED UP WITH CONSOLIDATION PLAN—FIGHT AGAINST MERGER IS VIEWED HOPEFULLY—RESISTANCE TO PROPOSAL TO BREAK UP PARITY MADE INCREASINGLY DIFFICULT BY ATTITUDE OF RAILROADS IN NOT AIDING LOCAL AREA

By K. Foster Murray

WASHINGTON, January 10.—Norfolk-Portsmouth, Hampton Roads as a whole, and the States of Virginia and West Virginia are faced with serious problems involved in recent developments in the eastern railroad field. How to attack these problems is clear enough as to one of the phases in which they present themselves, but quite doubtful as to the other.

The Virginias, the Virginia ports, and the various communities of the two States which are alarmed at the plans of the four big eastern railroad systems to divide up the Virginian between its two local competitors, the Norfolk & Western and the Chesapeake & Ohio, and eliminate it as an independent entity from the transportation map, the Virginias, their ports, and their local communities can fight the scheme straight from the shoulder before the Interstate Commerce Commission unless it is changed to leave the Virginian Railway in a status competitive with and independent of the two lines which parallel it.

Virginia, Norfolk, and various cities and towns along the line of the Virginian in both States which it traverses already have fought with conspicuous success one powerful attempt to eliminate it. They have the Interstate Commerce Commission on record unanimously as opposing the consolidation of the Virginian with the Norfolk & Western as against the public interest, and they have the commission also on record as approving the allocation of the Virginian to the New York Central in the commission's own consolidation plan, following the action of the commission in granting authority to the Virginian to connect up directly with the New York Central system by bridging the Kanawha River at Deepwater, W. Va., which the Virginian is now doing at heavy expense in order to give itself an independent competitive route to and from the Middle West.

#### RAILROAD EXECUTIVES WORRIED

The Virginia and Virginian case is so clear as to the consolidation proposition that the four big systems of the East are obviously worried about this stumblingblock in their paths and are trying to work out some scheme to avoid it before submitting their completed proposals to the Interstate Commerce Commission. Complicating the situation are the underlying desires of the Chesapeake & Ohio and the Norfolk & Western to parcel out the Virginian between themselves as an additional track where they need it most, and the indisposition of the New York Central to warm up to any suggestion of closer connection with the Virginian than that afforded by through joint rates and routes over

the bridge now being built. Indeed, the New York Central is rather cool about the whole consolidation scheme which its three big brothers, the Pennsylvania, the Baltimore & Ohio, and the Chesapeake & Ohio (Nickel Plate), backed by President Hoover, are urging so eagerly. The other three would each get a great deal under the existing plan—the Central, in the give and take, would have little more than it possesses now.

So much for the consolidation problem which looms up before the Virginias and the Virginia ports. That problem has yet to take final shape, but if it has to be met, the course is plain and has already been blazed to a very vital extent.

The other major problem facing the ports and cities of the Old Dominion is that created by the unanimous decision of the Interstate Commerce Commission in the eastern class rate case last May, laying down the general principle of a distance scale for class rates in eastern territory, and the subsequent decision of the Norfolk & Western and Chesapeake & Ohio Railways not to seek continuance of the long-standing parity of Norfolk and Newport News with Baltimore when they make up new tariffs of class rates between these ports and the West to meet the eastern class rate decisions. It is understood that the Norfolk & Western and Chesapeake & Ohio explain their contemplated course by stating that their western connections were unwilling to agree to a continuance of the parity with Baltimore in the new draft of eastern rates. No definite time was set by the Interstate Commerce Commission for the formulation of the new tariffs under its decision, but the conjecture in commission quarters is that these tariffs will be submitted to become effective somewhere around July 1. No action can be taken before the commission until the new tariffs are actually submitted; then the question will be what action, if any, to take.

#### RAILROADS LOSE INTEREST IN PORT

Two things are to be observed in passing. One is that the trend of Interstate Commission decisions in recent years has been increasingly toward the distance scale as a basis for class rates, with the burden on carrier and communities to sustain competitive differentials or parities.

The other thing is that as the big railroads proceed nearer toward their goal of parceling out great regions like the Eastern States by consolidations such as now contemplated, their specific interest in particular ports of that region becomes less acute. The four great systems planned for the East would compete as systems having various ports—in many cases the same ports—but not as limited lines having a special port or special ports.

For instance, if the Norfolk & Western becomes merely a minor portion of the great Pennsylvania system, with its stock merged into the stock of that system as a whole, it will have less reason to be concerned as to whether the trade it might handle goes over its own link of the Pennsylvania or over some other Pennsylvania route. Similarly, if the Erie Railroad is allowed to be consolidated into the Chesapeake & Ohio-Nickel Plate system, the Chesapeake & Ohio would have less reason to fight for routing of traffic through Newport News as compared with the routing of traffic through New York over the Erie. Thus, it would appear that the proposed consolidation plan in the East has a distinct possible bearing upon the apparent indisposition of the Norfolk & Western and the Chesapeake & Ohio and their connections to seek a continuance of the parity which they have consistently maintained for the Hampton Roads ports with Baltimore for half a century.

On the distance scale, Baltimore is nearer to most of the points in north central territory than is Hampton Roads. Where the Virginia ports, by reason of the policy of their railroads, do now enjoy and have for a half century enjoyed parity to and from these western points as compared with Baltimore, the Virginia ports would, by strict adherence of the railroads to the distance scale suggested in general by the eastern class rate decision, be subjected to a rate in some important instances as much as 10 or 11 cents a hundred pounds higher than the Baltimore rate.

Such a prospect as that is not to be contemplated lightly. It would certainly give Baltimore a decided advantage which that port does not now possess, and would subject the Virginia ports to a decided disadvantage which they do not now have to encounter in their competition with the great Maryland city.

#### PHILADELPHIA ALSO AROUSED

Philadelphia confronts the same prospect and is just as much exercised about it as are the Virginia ports. The Quaker City has been given parity with Baltimore heretofore by the railroads in their class rates, but under the rates being formulated to accord with the eastern decision, Philadelphia would lose this parity.

In reviewing the map of present parity rates in existence in the East in violation of the strict distance basis, the Interstate Commerce Commission in its eastern class decision made this statement:

"The large Virginia cities group is the result of the policy of the Norfolk & Western and the Chesapeake & Ohio of making class rates to and from Norfolk and Richmond the same as those to and from Baltimore, subject to the Columbus-Baltimore rates as minima, and making no graduation whatever to intermediate points, except such as would result from observing the lowest combination of intermediate rates as a maximum.

"The Virginia cities group on the Norfolk & Western formerly embraced all stations on that line south of the Ohio River, but the group was reduced four years ago when division 3 (of the Interstate Commerce Commission) ordered reductions in the rates from central territory to Williamson, W. Va. On the



Chesapeake & Ohio the Virginia cities group begins 411 miles from Hampton Roads at Cotton Hill, W. Va., the first station east of Gauley, which marks the extreme limit of central territory.

"The reasons that originally led to the establishment of the Virginia cities rates upon the Baltimore basis appear not to be definitely known. The Chesapeake & Ohio disclaims responsibility therefor, stating that a parity of class rates from Cincinnati to Baltimore, Norfolk, Portsmouth, and Petersburg, Va., existed as early as 1879, although its line did not reach Hampton Roads until four years later. The Norfolk & Western and the Virginian, which were built much later, say that the Chesapeake & Ohio is responsible, since it desired to engage in traffic between central territory and Baltimore in connection with Chesapeake Bay steamers, and reduced its rates to the Baltimore basis at Norfolk and intermediate points to comply with the long-and-short-haul principle."

#### THEORIES OF PARITY ORIGIN

On this question of the history of the parity rates between Virginia cities and Baltimore, Commissioner Eastman, on whose report the eastern class rate decision was based, interrupted during the hearings while Freight Traffic Manager A. P. Gilbert, of the Chesapeake & Ohio, was on the stand:

Mr. Eastman: "I have heard two theories of the establishment of Baltimore rates at Norfolk. One is that they were established in order to help that city in its competition with Baltimore; and the other is that the lines serving Norfolk applied the Baltimore rate at Baltimore, and in order to comply with the fourth section put in the same rate at Norfolk."

(Such references as those of Commissioner Eastman to "Norfolk" include Newport News also.)

Mr. Gilbert replied: "I think both had their effect, Mr. Commissioner, but underlying it all, in fixing that policy, was what the Virginia lines felt as the necessity of having jobbers at Richmond have the Baltimore rates on the products from the West that may be jobbed into the Carolinas. There is a tradition that at one time the rates from Baltimore to the Carolinas were as low or lower than from some of the Virginia cities. The fourth section did not come to the fore until 1887."

Mr. Eastman: "I am asking this question because in my proposed report in the Southern class rate case there was a statement that the Baltimore rates were established at Norfolk for competitive reasons, and one of the carriers corrected that and said they were established to observe the requirements of the fourth section in connection with the route to Baltimore by way of Norfolk."

Mr. Gilbert: "I have shown that the Baltimore rate was in effect to Norfolk before 1887, when the interstate commerce act was passed."

This extract from the record proves sufficiently that the parity rate was originally given to meet competition of the railroads directly serving Baltimore. The fourth section, prohibiting a railroad from charging more for a short haul than for a longer haul in the same direction, was not enacted until 1887, eight years after the parity with Baltimore was accorded to Norfolk.

Nowhere in the eastern class rate decision of the Interstate Commerce Commission is there any observation indicative of a disposition favorable to such a parity rate as that given the Virginia cities as compared with Baltimore for the past 51 years, but it is nevertheless a fact that the Philadelphia commercial interests, which are petitioning the Interstate Commerce Commission to reopen the eastern class case to give them further hearing in behalf of parity with Baltimore, construe the following passage in the commission's decision as an invitation to the Virginia railroads to propose the continuance of the parity of Hampton Roads with Baltimore:

#### FIGHT FOR HAMPTON ROADS

"In at least two important instances respondents may wish to publish rates lower than the key rates here prescribed, and both of these are of more than local importance. In the first place, the New England railroads and shippers have given notice that they will insist to the extent of their power on continuance of the present parity of Boston and New York on westbound rates to central territory; and, second, it seems likely that the lines serving Hampton Roads ports will desire to continue to maintain class rates to those cities from central territory no higher than the rates to Baltimore. . . . Interterritorial rates lower than the maximum level prescribed (by the Interstate Commerce Commission) can not be published by the New England lines without the concurrence of other lines, and whether such concurrence can be obtained remains to be seen. The question can be answered when it arises. The same may be said of any possible departure from the maximum level in the case of the rates to and from the Hampton Roads ports."

There is really nothing in that extract from the commission's opinion to prove that it would sustain a proposal of the Virginia railroads to continue the parity rate, but it is perfectly plain that the commission expected the Virginia railroads to fight for the parity of their ports with Baltimore just as the New England railroads have declared their purpose to fight for New England ports' parity with New York. (It is not amiss to make a note here that the eastern railroad consolidation plan now being drafted does not embrace New England territory.)

What can the Virginia port interests do to save their class-rate equality with Baltimore? The outlook appears dark in the absence of a proposal of the Virginia railroads to continue the parity. If the roads presented such a proposition, the Virginia committee could join enthusiastically with them in arguing with the Interstate Commerce Commission to continue the parity as proposed;

but with the railroads abandoning the parity, Virginia community interests would have to show the commission that a nonparity rate as to Virginia cities is unreasonable in itself. This would certainly be an uphill job.

Unless the Norfolk & Western and the Chesapeake & Ohio Railways formally and earnestly petition the Interstate Commerce Commission to allow them to continue the parity of Virginia cities rates with Baltimore, it seems to this writer from a study of the situation that the chances would be heavily against the cities and the State in any action before the commission to compel the roads to continue the parity. With the roads in favor of continuing it, Virginia and the Virginia cities would have a pretty good chance of holding it against the fight which Baltimore interests have declared that they would make before the commission on the charge that continuance of parity in the class rates would be unfair and prejudicial to their port and unduly preferential of the Virginia ports.

#### ARTICLE ENTITLED "WALL STREET'S GREATEST CRIME"

Mr. HEFLIN. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting article entitled "Wall Street's Greatest Crime." It has to do with the stock exchange in New York.

The PRESIDING OFFICER (Mr. Fess in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

[Compiled and issued for the information, enlightenment, and guidance of Congress]

#### WALL STREET'S GREATEST CRIME—WHAT THE CZARS OF AMERICA HAVE DONE—HOW DEPRESSION CAN BE ENDED

It has been shown wherein deliberately created superinflation was the direct cause of panics and the present extreme depression. In this article the chief beneficiaries will be named, those who had created and inspired and to whose interest it was to cause superinflation, and the men who, after selling out, precipitated the real debacle. Also, those who will profit most by this abysmal decline, those who now have in their vaults a very large part of the untold billions torn from the public, and who could end this depression at any time. Remedies were promised, and are presented herein, that can and will prevent forever duplications of the present tragedy. Moreover, it will be explained briefly, the one and only way to end the acute demoralization from which the country is now suffering and to restore a degree of normalcy.

This case is presented for over 10,000,000 persons, of every financial strata, possessing so-called securities, and of many times that number who have been made to suffer indirectly by the great fall in stocks—all are indignant and exasperated, but unorganized and inarticulate. I am one of those 10,000,000 "common people" of only average intelligence (the mice), all helpless against a mere handful of astute and organized schemers who own and operate the Wall Street "gambling monopoly" (the cat). Shall this vicious despotism be permitted to continue—this form of capitalism which takes from persons of moderate means by consummate deceit and cunning what communism, on the other hand, would take by brute force?

As to individuals, notably William C. Durant, by far the greatest operator of all time—and investment trusts—more later on. The leading banking house demands our first consideration. Statistics taken from the Financial World of September 24 last and the Investors' Pocket Manual concerning the 25 most prominent flotations sponsored by J. P. Morgan & Co. are appended hereunder. They were all represented to buyers as high-class stocks—the Morgan name was truly magical—and beyond question a few have real value. But all were misrepresented as to actual equity and earning power, and certainly all were unloaded very greatly above their worth. Moreover, figures (and events) would seem to prove that many of them were distinctly dubious. For instance, International Telephone & Telegraph, a stock most extravagantly recommended and very thoroughly "distributed" to the public near its top price of 149½, has sunk to below 26. That is, the outstanding 6,572,000 shares have shrunk from \$985,000,000 to \$165,000,000, a direct loss to investors of \$820,000,000 on this one stock issue alone. "Montgomery Ward," another "split-up" still more brazenly manipulated, was washed to 156 and sold to the gullibles on the most ridiculous pretensions. Now below 18, its 4,600,000 shares mean the loss to investors of another \$640,000,000.

From the statistics below anybody who has the patience can compute and verify that the gross loss to the public on the 25 stocks given was above \$17,000,000,000. And this on 25 stocks alone. But figures make dull reading, and if not desired can be skipped and the narrative resumed on next page.

Name of company	Shares outstanding	1929 highs	Recent lows	Loss per share	Gross shrinkage
Alleghany Corporation.....	4,152,500	56	8	\$48	\$199,300,000
American Super Power <sup>1</sup> .....	8,243,000	71	10	61	502,800,000
American Telephone & Telegraph <sup>1</sup> .....	17,635,000	310	179	131	2,309,600,000
Bendix Aviation <sup>1</sup> .....	2,097,000	104	15	89	186,600,000

<sup>1</sup> Curb Exchange stocks, floated through Bonbright.

<sup>2</sup> Joint sponsors with First National.

<sup>3</sup> Joint sponsors with other houses.



Name of company	Shares outstanding	1929 highs	Recent lows	Loss per share	Gross shrinkage
Case Threshing Machine <sup>1</sup>	194,000	467	104	\$363	70,400,000
Cerro de Pasco	1,123,000	120	26	94	105,500,000
Columbia Graphophone	2,565,000	89	10	79	203,000,000
Commonwealth Southern	34,000,000	29	8	21	714,000,000
Congoleum Nairn	1,641,000	36	8	28	46,000,000
Consolidated Gas <sup>1</sup>	11,460,000	183	80	103	1,180,000,000
Continental Oil	4,473,000	38	10	28	124,700,000
Electric Bond & Share <sup>1</sup>	9,500,000	180	39	141	1,339,500,000
Erie Railroad	1,511,000	93	27	66	99,700,000
General Electric	28,846,000	101	45	56	1,589,000,000
General Motors	43,500,000	92	32	60	2,610,000,000
Gold Dust <sup>1</sup>	1,795,000	82	30	52	93,300,000
International Telephone & Telegraph	6,572,000	149	25	124	815,000,000
Johns-Manville	750,000	242	62	180	135,000,000
Kennecott Copper	9,391,000	105	25	80	751,200,000
Montgomery Ward <sup>1</sup>	4,600,000	156	16	140	644,000,000
Nevada Copper	4,850,000	63	10	53	257,000,000
Radio Corporation of America <sup>1</sup>	13,160,000	115	13	102	1,342,300,000
Standard Brands	12,634,000	44	14	30	379,000,000
United States Steel (common)	8,560,000	261	133	123	1,053,000,000
United Corporation	7,000,000	75	16	59	413,000,000
Total					17,162,900,000

<sup>1</sup> Curb Exchange stocks, floated through Bonright.

<sup>2</sup> Joint sponsors with First National.

<sup>3</sup> Joint sponsors with other houses.

Above is as of December 1, 1930.

(The absolute accuracy of all the figures and every statement herein is not guaranteed, but they are believed to be correct in every particular.)

If we deduct one-fifth, which is liberal, from this stupendous total for possible errors and for stocks which could not be sold at the very top, there still remains a direct loss to investors—the public—on these 25 Morgan stocks of about \$14,000,000,000. Just what percentage of this colossal loot went to Morgan, Lamont, Cochran, Davidson, and their associates? Why discuss the exploits of smaller banking houses, though some were truly malodorous? Suffice to outline and call your attention to the achievements of the most powerful—and supposedly the most honorable—a house which transcends all others and shapes the course of the entire stock market—all were alike busy selling their endless stuff at fast as it could be printed.

However, the National City (Bank) Co.'s pernicious activities and the spoliation of a public made frenziedly receptive largely through its efforts, demand some mention. Its Anaconda, sold to clients at 174, recently 33. Its Andes, down from 68 to 15. United Aircraft, sold to the credulous above 160, now 27. St. Paul Railroad stocks, which were made to appeal to the conservative investor, the preferred at 68, the common at 46, down to 11 and 7, respectively—less than half the paid assessments. These are only a few instances of many. Further, its intense and vociferous encouragement of superinflation, its impudent defiance of the Federal reserve system while distributing still more semiworthless stocks in a highly manipulated market, its persistent advice to buy even when prices had begun to crumble, its dubious unlisted bonds sold by direct and personal solicitation of trained canvassers; those are matters of public record.

Calvin Coolidge knew that panics and depressions were coming, and that was why he "did not choose to run." Mr. Hoover suspected at first, as evidenced by his conference with Durant. But our mild President does not understand the intricacies of Wall Street. He was—and is—misled by the threats and promises of organized high finance. Politicians in general are similarly misled. They failed utterly to grasp the significance of the Federal reserve's report in February, 1929, or at least that part of it the gist of which was that "inflation is masquerading as prosperity"—that the latter was a myth talked up for stock-market purposes only. But Morgan and his astute partners were not ignorant of the situation in a game they own.

Very many wealthy investors who had sold their stocks long before came back on the day of the "poor man's panic," October 24, 1929, and the next day, buying heavily, persuaded that "a technical reaction" was over. The New York Times of January 16, 1930, carried on its front page a scoop of just what happened in Morgan's office that day and of how the panic was engineered. The veiled significance of those disclosures of what was actually planned (and done) at that momentous afternoon conference has never been grasped.

It appears, in brief, that six Wall Street banks pledged forty millions each to create a market immediately for stocks in which they were still involved. About one hundred millions of this pledged money was used late the same afternoon and next morning, and when confidence had been restored by these purchases and by widely heralded reassurances from the same bankers and others, even from our conformist President, and a buoyant market created, with many 15 to 20 point advances, the consortium silently fed back their stock to the dupes at a very nice profit.

The bankers (lauded by the press as "saviors of the market") then were finally out. The brokers and the "suckers" were saddled with the entire load. And being out, the bankers promptly revised downward in drastic fashion the loaning value of stocks, the natural result of which was that a real debacle began on Monday, October 28, lasting almost continuously until November 14.

"Investment trusts" were a happy inspiration. Very convenient receptacles, these, shrewdly concocted by high finance, in which to throw surplus printings and stock in excess of what could be readily marketed direct to the customer near the top. For instance, an investment trust might buy 50,000 shares of Alleghany through any broker above 50. Did not those who supplied this stock also control and guide that trust? And, of course, these investment trusts were also unloaded on our public, which was thus doubly exploited. Goldman-Sachs' were among the most notorious—the last word in "high finance."

Quoting from the New York American of October 9, 1930:

"Not only were companies formed of amalgamated cats and dogs, and sold to the public at one hundred times their value, but investment trusts were formed, and after the public appetite for cats and dogs had waned the investment trust, guided by the big speculators, to whose honor the public's money had been intrusted, absorbed the remainder of the issue which the public would not knowingly buy. In one instance 60,000,000 shares of \* \* \* worthlessness \* \* \* were unloaded on the public at \$20 a share. \* \* \* The wildcat speculation could only be conducted by the great firms in whose honor the public had misplaced confidence."

The colorful Mr. Durant deserves much notice. Probably he did more to start the inflation and "converted" more real money therefrom than any other single individual. Aided by an immense and wealthy "following" and with the sanction of bankers he ran General Motors from below 130 to about 225, publicly advertising its purchase all the way up. He is said to have owned at one time above 2,000,000 shares of this (old) stock alone. But it is doubtful if he disclosed to anybody that he was selling out above 200. Another adventure, rather disastrous at least to persons other than himself, was the manipulation of International Combustion from about 50 to above 103. Before it was made to cross 80 Durant probably held more than half of the entire capital stock. Then he "advertised" its tremendous possibilities, and so forth, and still more emphatically did he mislead his dupes in the nineties. At last his "friends" and followers were well hooked with this trash. It is rumored that the huge Hatry failure in London was caused by having bought 200,000 shares of Combustion. How much Durant unloaded near the top can not be said, but it is quite certain that he was out of this and almost every other stock long before the panic.

Early in April of this year he publicly warned Mr. Hoover in rather amazing fashion, and at about the same time (to the best of my knowledge, information, and belief) he sold over a million shares short, with happy results to himself. But Durant plays the game.

Combustion, which has fallen below 2, was a paying concern with valuable assets, and probably has been deliberately wrecked. I think Morgan and Hayden Stone were the sponsors. The wrecking and subsequent reorganizing of railroads was always an exceedingly lucrative business for large bankers. Has high finance devised a way to treat industrials similarly? It is simpler and more profitable to "list" new and unexploited issues of the same or other companies than to resurrect old ones that have collapsed.

Other individual operators, though wealthy men, are little more than pawns in this very crooked, cruel game. Mike Meehan, the central figure in the shameful radio manipulation, profited hugely until the panic cut short his baneful activities—which he had the assurance to attempt resuming last spring. Ben Block (Durant's broker), Livermore, and one or two others, acting concertedly, are said to have precipitated the panic by persistent short sales from early in October. It is extremely probable that bigger people were back of them. George Whelan, the tobacco magnate, and his loquacious broker who was used to unload bogus stocks on friends, merit discussion, but space is lacking. Benny Smith should be mentioned—he is said to have recently cleaned up several millions on the "short" side. There are a host of others, big and little. Nearly all of them play the game fairly, according to Wall Street's selfish ethics. But it is an entirely unfair status that tolerates and sanctions such customs, which surely make for the undoing of the people. Cunning should be harnessed as we harness force.

Richard Whitney, president of the Stock Exchange, about whom so much buncombe has been quoted and written, is another gentleman who most distinctly profits by wild fluctuations and the absence of stability. He was one of the "saviors of the market" that memorable Thursday afternoon when—with Morgan's cash—he "boldly bid 205 for 25,000 steel." Was it to "save" the public who, taking heart from his "heroic efforts," managed somehow to bolster up impaired margins and bought more stocks from his masters, J. P. Morgan & Co., on the manipulated rise? Of course, Whitney defends stock speculation, short sales, and the game in general; hoodwinking the public and resenting any suggestions of needed reform. That is to be expected. A man naturally stands up for his own and his employers' "racket."

More reprehensible are the hired spokesmen and writers whose sole function, in the guise of educators, is to keep the people ignorant of actually existing conditions and the true nature of the great scheme. They are paid with a few crumbs from the tables of the mighty to give outsiders an entirely wrong conception of how to invest or play. The pretended (outside) big winners, decoys and cappers, and brokers who advise clients to buy worthless stocks which the insiders who employ them are selling, are in the same class—all stool-pigeons of the meanest type.

An erroneous impression has always prevailed that the public who speculate are gambling. They are not. To gamble is to take



a chance, but the public have no chance whatever. Stocks are so manipulated that the ultimate confiscation of their margins is certain. They always lose eventually. Even with the prudent investor, it has been computed that over half of all the stocks listed in the last 50 years have become worthless—stocks for which he parted with his hard-earned savings. What a monstrous record! Will the people in dumb helplessness forever submit? Is Wall Street above all law and regulation? What is your answer?

How long would Monte Carlo, a real gambling monopoly, be permitted to endure if, similarly, the dice were always loaded and the cards were always stacked?

We may expect, and will deserve, the greatest social unrest, possibly threatened communism with its horrors, if this wholesale and tremendous depletion of all classes be not checked and made far less safe and easy—if Wall Street's greed, more and more, oversteps its cunning.

The sequence of past events, starting with the 1926 panic, was prearranged and anticipated. When the depression has eliminated most of the smaller, upstart banks, which are a nuisance to Morgan and certain other interests, and when the market has been forced as low as they deem expedient, these financial autocrats will take some of the many billions now in their vaults, the proceeds of their very successful unloading, and buy desirable stocks that distressed holders are obliged to sacrifice at any price—buying back for dimes what they sold for dollars.

Obviously, depression has been to their advantage—for it rids them of annoying upstart banks, interlopers—and the lower the price level for stocks the greater their ultimate profits on purchases. The big bankers are the only ones who can purchase in volume at such times.

Finally, a bull market; and assuredly, unless Congress meanwhile makes it impossible, their stocks again will be thoroughly "distributed" at the highest possible prices—then another engineered panic, and another long period of depression. (These recurring cycles do not just "happen"—they are surely made to happen.)

Concerning short sales: In a weak market they are a steady depressant. They accelerate declines and force real liquidation. Sometimes they cause violent rallies and even corners. They make for wide fluctuations on both sides, often causing the extreme highs or lows, and are the foe of stability. That excellent monograph, *Preventable Panics* presented to every Member of both Houses, contained a chapter on short selling, which was quoted in Congress and reprinted entire in the *CONGRESSIONAL RECORD* of May 6. "If you will stop the loaning of (customers') stocks by (their) brokers to short sellers, the bears would have no way to deliver the stocks they sold . . . if they could not borrow the stocks sold—to deliver to the buyers—they would be in a trap."

But there are better remedies for the protection of the public than the stoppage of short sales. To these we will now proceed briefly. The first three were dilated upon at some length in the booklet *Preventable Panics*.

#### THE REMEDIES

(1) Federal incorporation of all stock exchanges: The New York stock and curb exchanges transact, in volume of money represented, by far the greatest inter-State business in the United States. The customers or clients (and victims) of these exchanges dwell in every State in the Union. Inter-State wires and the mails are used continuously. Yet there is no supervision whatever over this vast, and often disastrous, trade. These exchanges have successfully resisted all suggestions and attempts at any control whatsoever. Were Government regulation and supervision applied to them, inflation and its aftermaths, panics and depression, could not happen or be made to happen.

(2) Absolute prohibition of stock "split-ups" and kindred devices to hoodwink the ignorant—in all cases a highly deceptive selling scheme which has no other objective than to unload greatly inflated stocks at peak prices. After an issue has been marked up to a price so excessive that it becomes unsaleable, it is made to look attractive by subdividing this price—but increasing the outstanding shares in exactly the same ratio. This treacherous juggling enables the manipulators to sell at the peak-price level. Every listed "split-up" in 1929 has wrought incalculable havoc. Radio, International Telephone & Telegraph, Montgomery Ward, and General Motors are a few notable instances.

(3) Appointment of a Federal commission, experts in finance, auditing, and economics, to check up, pass upon, and consent to all "listings." The very life, financially, of investors has been imperiled or extinguished by the legion of dubious listings permitted and indorsed by "committees" functioning for the above exchanges. Arbitrary, biased, or collusive, they have shamelessly abused their privileges. Gross favoritism has been extended in the flotation of overcapitalized issues which have since collapsed. This dangerous "listing" monopoly, immune as it is, against all subsequent prosecution, or even revision, demands a stringent corrective.

(4) Hold to some measure of responsibility those bankers who sponsor and profit from the sale of overcapitalized stock and bond issues. Compel correct and clear statements of earnings, financial conditions, and prospects, with a compulsory account to the despoiled investor and the ruined speculator. Hold the sponsors to a responsibility of at least 75 per cent of the price paid by the customer, compelling them to take back the deflated article at that ratio any time within three years. Obviously, had such a law been in effect the great bankers would have been less ready to spur on

the inflation, and thus most certainly would have averted the panic with its present aftermaths.

#### TO END PRESENT DEPRESSION

Surely the perpendicular declines of November, 1929, and the long-drawn-out, even more depressive, slump of 1930, which has followed the manipulated rise of last spring—when stocks again were unloaded in volume at the highest prices then humanly possible—have caused the present deplorable conditions. Just as surely, because conversely, any substantial recovery in stock prices would at once improve confidence and greatly mitigate the various demoralizing evils from which the country is now suffering, and gradually bring back normal prosperity. Nothing else possibly can do so. But Morgan and associated bankers, in absolute control, for the selfish reason that they wish to acquire more of the deflated stuff—at a small fraction of the price at which they sold—from distressed and impoverished investors who bought it outright, have persistently refused to help or advance the stock market.

This would be a very simple and inexpensive procedure—for them. But any attempt of others, even the Government—without the Morgan sanction—to end the depression by buying and advancing stocks, would result disastrously. The success of so ill-advised an adventure could not transpire.

But a few pivotal issues, (re) bought publicly by Morgan, in volume, with the assurance that they were to be held for investment (and not still again unloaded on the first substantial rally), would start the entire market upward. The Morgan "group" (whom it is considered blasphemy to criticize) can shape the course of prices now just as they have for the last 30 years, with none to oppose. Our welfare, or the contrary, and to some extent even that of foreign lands, depends upon their will and "policy." This dominance, which none may or possibly can dispute, they are unopposedly increasing.

Morgan and most of his partners probably are unconscious of the culpability of their acts and their own callousness of heart. Doubtless they have some small degree of scruple. But they believe that the "king can do no wrong." What of those less powerful houses that are entirely without conscience? And what of the many stocks shamelessly, even fraudulently, listed on the exchanges and enjoying "trading privileges" thereon, which have proven to be precisely as worthless as those printed and issued by "blue-sky promoters," some of whom are now in prison? Why immunize those safely "operating" through the exchanges? The harm and damage done by the latter is even worse than that wrought by outside swindlers who have been convicted.

The stock markets are actually artificial, manufactured "games" which methodically inflict ruin and misery on our people. We owe it to posterity, if not to ourselves, to enact such laws as will hereafter prevent the so-called "cycles," which are so arranged, timed, and separated that they (unless protective measures are taken) will cause indefinitely that instability which drains all classes except the manipulators and their parasites and hirelings.

Regulate and render constructive, instead of highly destructive, our uncurbed stock exchanges—at present merely huge converters of public and general wealth into the vicious superfortunes of a (comparatively) very few; and likewise the privileged, organized banking groups in pernicious and complete control of them—the actual dictators of our people and our Government.

#### SUPPLEMENTARY

The above article, written in November, was put into type December 1, 1930, and is as of that date, although then restrained from publication. The stocks named on first page have since fallen another billion dollars, and have since rallied against outsiders who sold short. But changes in the text are unnecessary. It can stand as written.

A possible criticism is that capitalists in general are smeared. Not so at all. There are many, as for instance the two John D. Rockefeller and Henry Ford, who had no hand whatever either in the inflation or the resultant endless panics. Indeed, there has been no attempt to "smear" anyone, not even Morgan—only statements of fact. At this writing, with the entire country anxiously hoping for recovery, and with nearly all important interests desperately striving to that end, the attitude of the leading banking house toward the stock market is still such as to indicate that it is obstructing and opposing all constructive efforts; the only apparent objects of which attitude have already been explained. Facts, although regrettable, should be made known. If this Nation must be ruled by a financial oligarchy, probably the house of Morgan is best. But must Washington forever remain under the domination of any malevolent usurpers?

Most assuredly, there will be no sustained improvement in business, and present depression will continue, until the stock market is advanced. To follow up the implication in paragraph near top of this column: If by any chance, now or at any future time, the Government were to cooperate with Morgan in buying stocks jointly, share for share, in order to restore confidence, and so forth, it would be most essential that a committee of at least three incorruptible experts not under the Morgan influence, were appointed to select the stocks and do the buying at prices they approved. The mere announcement of preparedness to make such investment purchases if necessary, would have an electrifying effect. But it is a question, and open to debate, whether such an arrangement, under any circumstances, would be advisable.



The motive for these efforts is the hope that Congress may be induced to avert, in some part at least, all this needless suffering inflicted by Wall Street. No personal profit or recognition is desired. Nor are reprisals for interfering with this greatest of all rackets, invited. The writer prefers to remain anonymous.

JANUARY 19, 1931.

# WORLD PEACE—ADDRESS BY NICHOLAS MURRAY BUTLER

Mr. WAGNER. Mr. President, I ask unanimous consent that there may be printed in the RECORD an address delivered by that very distinguished American scholar, Nicholas Murray Butler, who is also president of the Columbia University. His address, which is entitled "What Will the American People Do About It?" was delivered at the annual convention of the League of Nations Association, Chicago, Ill., on Friday, January 23, 1931.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The firmer establishment of the peace of the world and effective aid in quickly relieving distress, which is world wide and accompanied by constant threat of political disturbance and international friction, lie easily within reach of the American people. What will they require their Government to do about it?

The facts are simpler than is ordinarily supposed. They are essentially, all of them, the result of the colossal conflict which absorbed the energies of men, destroyed a large part of their capital resources, wholly dislocated the industry and the commerce of the world, and wrecked millions of homes and families during four dreadful years. To bring forward any theory of cycles to explain the phenomena which now confront us is merely to trifle with the gravest interests of mankind. Never before has history recorded so stupendous a human cataclysm as that which broke upon the world on August 1, 1914, and nothing is more certain than that if history shall ever record such another that will be the end of the organization of western civilization which we have known. What will the American people do about it?

From the fine and prophetic agreements of Locarno, signed on October 16, 1925, to the final accomplishment of the pact of Paris, to which the representatives of 15 governments attached their signatures on August 27, 1928, and which was subsequently adhered to by 43 others, progress toward international understanding, international cooperation, and effective international agreements to exclude the possibility of war was rapid and splendidly heartening. Then came a slackening of effort and the springing up of new national suspicions, new outbursts of national chauvinism, and new objections, sometimes crassly selfish and sometimes baldly legalistic, to getting farther forward along the inviting path on which the world had so hopefully begun to march. What will the American people do about it?

War has been renounced as an instrument of national policy with substantial unanimity. Shall the nations keep their word or shall they begin to argue as to what national policy means and includes and what it does not mean and does not include? Which is the course of honesty, of fair dealing, of lofty patriotism, and of high morality? It may be taken for granted that the less populous and less powerful nations will keep their word unless tempted to break it or encouraged to do so by more populous and more powerful neighbors for reasons of their own. The question then may be narrowed down to this: Will the Governments of the United States, of Great Britain, of France, of Germany, of Poland, of Italy, and of Japan keep their word or will they not? If the answer be in each case "Yes," then the peace of the world is secure; if the answer be in any case "No," then the peace of the world is at least doubtful and might quickly become insecure. Should any of these seek for themselves a security defined in terms which mean insecurity for all the rest, what will the American people do about it?

To-day, when the ink has been dry for more than 11 years upon the treaty of Versailles and upon the pledges for general reduction of armament then given, sums that are literally colossal are still being expended for purposes which, however defined or glossed over, are essentially preparation for that war which the very governments making these vast expenditures have renounced as an instrument of policy. The actual figures regarding these expenditures are not easy to obtain. There is so much concealment in the actual budget process that the amounts voted for military, for naval, and for air forces often constitute but a part of the total expenditure for military purposes. From the latest figures available, published by the League of Nations, it would seem that in the year 1928 the total amount of these military, naval, and air force expenditures was not less than \$5,000,000,000. The expenditures of the Government of the United States alone for military and naval purposes are now about \$750,000,000 annually. What will the American people do about it?

On December 6 last the Illustrated London News, taking its figures and its most striking illustrations from the Berliner Illustrierte Zeitung of a slightly earlier date, published a series of comparative figures and illustrations having to do with the present-day armaments of the leading nations of Europe. Here are some of the figures: In this time of peace, with war renounced as an instrument of policy, the standing armies reported are as follows: Russia, 1,200,000; France, 650,700; Italy, 638,000; Poland, 299,041; Great Britain, 186,100; Germany, 100,000. The number of war airplanes at hand is: France, 4,667; Great Britain, 1,547;

Russia, 1,400; Italy, 1,160; Poland, 1,000; Germany, none. The number of tanks ready for service is: France, 2,500; Russia, 250; Italy, 250; Great Britain, 200 (plus 150 in the colonies); Poland, 100; Germany, none. The number of heavy guns is: France, 1,172; Italy, 650; Russia, 600; Poland, 426; Great Britain, 400; Germany, 22 (all in the Castle at Königsberg). The number of light guns is: Russia, 2,400; Great Britain, 1,700; France, 1,452; Poland, 1,284; Italy, 1,200; Germany, 288. The number of machine guns is: France, 37,000; Russia, 23,000; England, 13,000; Poland, 9,700; Italy, 4,300; Germany, 1,926. What will the American people do about it?

They will, it is earnestly to be hoped, go to the world disarmament conference a year hence with firm resolve to bring legalistic debate, technical military and naval discussion, and all other forms of subterfuge to an end and insist that the pledge given by the allied and associated powers on June 16, 1919, to the German delegates who had come to sign the treaty of Versailles, be kept to the letter. This pledge was accepted and participated in by the Government of the United States, which incorporated it by reference in the treaty of Berlin made between Germany and the United States on August 25, 1921. Here are the words of the pledge which is now nearly 12 years old and absolutely unfulfilled otherwise than in form, and so far as the naval limitations treaty between Great Britain, Japan, and the United States is concerned:

"The allied and associated powers \* \* \* recognize that the acceptance by Germany of the terms laid down for her own disarmament will facilitate and hasten the accomplishment of a general reduction of armaments; and they intend to open negotiations immediately with a view to the eventual adoption of a scheme of such general reduction."

With what grace can one party to the treaty of Versailles insist that the terms of that treaty be rigidly fulfilled by the defeated German nation if the terms of that treaty are not also rigidly fulfilled by the victorious allied powers? There is no answer; surely faith with the German people and with the world, including their own vast victorious populations, has not yet been kept by the governments signatory to that treaty.

Let it be supposed that some government signatory to the pact of Paris proceeds for reasons satisfactory to itself to break its pledged faith. What will the American people do about it?

Will they permit their Government to haggle and to dawdle and complacently to say that they will act when the time comes in accordance with circumstances as they may then develop, or will they require their Government to say now, by the quick passage of the resolution introduced in the Senate by Senator CAPPER, of Kansas, that the Government of the United States will not itself aid, nor will it protect its nationals in aiding, the pledge breaker by supplies of any kind. "But," inquires the legalists plaintively, "how shall we know the pledge breaker?" The answer is perfectly simple. It will require no profound knowledge of metaphysics, no acquaintance with military or naval lore, to fix responsibility upon that government which breaks its pledge incorporate in the pact of Paris.

The pledge breaker will be that government which begins hostilities in any wise or form without having first exhausted every possibility of settlement of the international dispute in question by some one or all of the means set out in the pact of Paris itself. If all those means have been tried and failed, then another situation is presented; but until all those means have been tried and failed the pledge breaker may be definitely determined with perfect ease. What will the American people do about it?

Will they permit their Government to wait and see or will they insist that notice be now given to the whole world that no pledge breaker, whether ancient friend or one-time foe, will be aided directly or indirectly by the Government and people of the United States?

For more than 30 years the people of the United States, through their Government and by the mouth of official delegations of citizens of the highest standing and most representative capacity, have been urging upon the world the establishment of a court for the judicial settlement of international disputes. First, there came out of the original Hague conference of 1899, at the instance of the American delegation, the useful Permanent Court of Arbitration, which has had an honorable and successful career. Then out of the second Hague conference of 1907 there almost came, also on American initiative, a permanent court of international justice. Finally, in 1920, on the invitation of the League of Nations and with the powerful, indeed vitally important, aid of a distinguished American, the Permanent Court of International Justice was brought into being, with an American jurist of long experience and highest authority as one of its members. Has the American Government formally joined in accepting the jurisdiction of that court? It has not. What will the American people do about it?

The irreconcilable objectors on the floor of the Senate and in the press to any step for the establishment of international peace that is other than rhetorical, have for years, and despite the recommendations of President after President and of Secretary of State after Secretary of State, regardless of party, delayed the action which will put the prestige of the people of the United States behind this great court and its authority. It would be a slur upon the intelligence of childhood to describe the objections that are made as infantile. The court, we are told, is the mouthpiece of the League of Nations, that awful and deterrent body which has no object in view but the peace of the world and the good of mankind. Has it ever occurred to those persons that the Supreme Court of the United States is in the same sense the mouthpiece of the President, who may conceivably be a horrid person of opposite and unpopular political faith?



The judges, we are told, would necessarily vote to uphold their own government and the interests of their own nation in any case which might come before them. Has mankind fallen so low as this? Just so might Massachusetts have objected to submitting an argument to John Marshall, of Virginia, or Illinois, to intrusting its interests to the judicial impartiality of Edward D. White, of Louisiana. What will the American people do about it?

The Senate, to be sure, never has time for great matters. On one December the reason is given that the appropriation bills will entirely absorb the attention of Congress, which must adjourn at noon on March 4 following. On the next December we are assured, sometimes in whispers, that nothing which excites division or debate must come forward because there will shortly be elections at which the fate of those precious Senators and Representatives may possibly tremble in the balance. What will the American people do about it?

The issue is at the moment so simple, every request and suggestion of the American Government having been adequately met, that the pending protocols relative to the Permanent Court of International Justice could be disposed of in 48 hours and the support of the Government of the United States formally given to that great buttress against a renewal of international war. To accomplish this the Congress need not be called in special session. The Senate alone, if summoned to seat its newly elected Members and to settle this question, could readily do so and adjourn in less than a week's time.

But, we are asked, what body of law will this Permanent Court of International Justice interpret and enforce? Must we not wait until a full and complete code of international law has been worked out and accepted by the nations cooperating in the establishment of the court before the judgments of the court can be accepted? One wonders what has become in the minds of these men of the history of the common law. Where would the English-speaking world be to-day had there been no Coke, no Hale, or no Blackstone? One of the chief contributions of the English-speaking people to our modern civilization is the demonstration that the habits, the customs, the high ideals, of the people may be molded into effective law by judicial determination and judicial process. What will the American people do about it?

On August 1, 1922, the British Government, through a dispatch signed by Lord Balfour, addressed these words respecting war debts to the representatives of France, Italy, the Serb-Croat-Slovene State, Rumania, Portugal, and Greece:

"It is true that many of the allied and associated powers are as between each other creditors or debtors or both, but they were and are much more. They were partners in the greatest international effort ever made in the cause of freedom; and they are still partners in dealing with some at least of its results. Their debts were incurred, their loans were made, not for the separate advantage of particular states, but for the great purpose common to them all, and that purpose has been, in the main, accomplished. \* \* \* The economic ills from which the world is suffering are due to many causes, moral and material \* \* \* but among them must certainly be reckoned the weight of international indebtedness, with all its unhappy effects, upon credit and exchange, upon national production and international trade. Peoples of all countries long for a speedy return to the normal, but how can the normal be reached while conditions so abnormal are permitted to prevail?"

These sober and well-weighed words were true in 1922 and they are even truer now than they were then. When a nation undertakes the horrid devastation of war, it contributes men and munitions and food and ships and roads and canals and railways and homes and cathedrals and hotels des villes and schools and libraries and money. Of all these it is the money alone which men are mad enough to suppose that they can get back. It is the attempt to get back in considerable part the money cost of the war which has put upon Europe the unbearable burden under which it is now groaning, and which has aided, powerfully aided, in bringing upon our heads the disastrous and destructive economic losses which have staggered the people of the United States. What will the American people do about it?

We are told in honeyed words that the money was borrowed and must be repaid in all honor. We are not told, however, that much of it was expended in these United States to purchase war supplies at high prices, producing large profits from which the Treasury took its share in income and excess profits taxes. Nor are we allowed to remember that money is as much an instrument of war as a battleship, a submarine, or a long-range gun. The time has now come, however, when the people of the United States may justly ask to be quickly relieved of the burden which the war debt settlement has put upon them without any regard whatever to the effect of that settlement upon those nations which are among our debtors. We are the chief sufferers by the war debt settlement. As was said by Lord Hervey back in Walpole's time, we reserved for ourselves the poor consolation of being ruined last. He who looks merely at the transactions through the windows of the paying teller and the receiving teller will learn little of the condition of the bank whose windows they are. He must see the bank's ledger, with its full statement of assets and liabilities. What use is it to take in millions of cash in Washington if billions of value are flying out of the windows of the farmhouses, the workmen's dwellings, the industrial, commercial, and financial establishments of the land? What shall it profit a nation to collect war debts in cash and to lose twenty times their amount in value in industry and in trade? While millions of dollars in money are being brought across the sea at stated intervals to be lodged in our

Treasury, tens of millions of dollars are being paid by the American farmer, the American wage earner, the American business man, and the American investor through destruction of values, loss of markets, and disruption of trade. It need no longer be sympathy for the European debtor and his state which moves American opinion, but sheer selfishness and an insistent purpose to be quickly relieved of the unbearable burden which the farmer, the working man, the manufacturer, the owner of railroad or public-utility securities, and the small business man of every kind are being obliged to bear by reason of the policy that has been adopted. What will the American people do about it?

If they are wise they will insist that without delay the Government at Washington shall move toward an international commission to restudy this whole subject in the light of the happenings of 1929-1931. The opinion of the wisest economists of the world has never been in doubt, but the so-called practical man, who is often a person who does not know just what he is doing or why he is doing it, has insisted that this great problem should be dealt with as if it were one of a few dollars and cents in a retail shop in a country town. The distress, the economic and political disruption and disturbance that have resulted from the action taken at our instance have been appalling. It is too late, unhappily, to undo all the damage that was done, but it is not too late, before the American people lose more, suffer more, to move toward higher ground. Sheer selfishness and desire for gain should spur us to this step.

Nor must we forget the extraordinarily reactionary outbursts of nationalism since the war, which have resulted in the multiplication and heightening of tariff barriers and in the enactment of vexatious administrative provisions for the restriction and annoyance of trade. M. Briand, with characteristic vision, is leading Europe toward the light in this respect, and there will come into existence at no distant day an economic union including most of the States of central and western Europe that will greatly relieve the existing trade situation. The same may be said of the States of the Balkan Peninsula, which under cautious and statesmanlike guidance have just now formulated at an international conference held at Athens a program of economic cooperation and economic interdependence of much promise and hopefulness. The British Commonwealth of Nations will work out its own peculiar problem, in that matter of fact and practical way, without regard to logic, which is characteristic of British statesmanship and the groundwork for its great success. The United States has its immense free-trade area prescribed by the Constitution, but in recent years it has allowed itself to bring direct and demonstrable injury to its agriculture, its industry, and its transportation by a misuse and a selfish application of those constructive principles which have underlain national tariff making for generations. What will the American people do about it?

Can they do better than listen to the classic words of their own Benjamin Franklin, who, writing to the Comte de Vergennes on March 16, 1783, used these words:

"In general, I would only observe that commerce, consisting in a mutual exchange of the necessities and conveniences of life, the more free and unrestrained it is, the more it flourishes, and the happier are all the nations concerned in it. Most of the restraints put upon it in different countries seem to have been the projects of particulars for their private interest, under pretense of public good."

What will the American people do about it?

The League of Nations, that extraordinarily successful instrument for international cooperation, has come to the end of the first decade of its history. While the Government of the United States is not represented in that league, yet cooperation with the league on the part of the people of the United States has been constant and increasingly useful. Representative HULL of Tennessee printed in the CONGRESSIONAL RECORD for June 10, 1929, a long list of instances of cooperation between the people of the United States and the league, extending from April, 1920, to August, 1927. Such a list might now be greatly enlarged. It is of the highest importance that this cooperation should increase and multiply. The recent designation by our Government of a diplomatic representative to be in contact with the league and its work is a forward step in highest degree commendable. Consultation between right-minded men of open mind is the surest preventive of international suspicion, international friction, and international hostility. Geneva has become the world's capital of consultation. The subject is reduction of armament to-day. It is the treatment of minorities to-morrow. It is a matter of public health, of forced labor, of the operation of the mandate system, or of a thousand and one undertakings which are not those of any single nation but of civilized mankind, whatever speech he may use or under whatever flag he may find his home.

As for threats of new war, may we not repeat, with profound gratitude to their author, the words of His Holiness Pope Pius XI in his allocution to the cardinals resident in Rome, made on the eve of Christmas?

"As for threats of new war, while the peoples of the world still so painfully feel the scourge of the last terrible war, we can not believe they are real because we are unable to believe any civilized state exists which is willing to become so monstrously homicidal and almost certainly suicidal."

There are those who would seek the solvent for our difficulties in change of economic system or in the overturning of governments. That might have accomplished what is desired 300 years ago, or even a hundred years ago, but such is no longer the case. The objective to-day is everywhere and always public opinion, for public opinion will find its ways and means to control govern-



ment, whether it be monarchical or oligarchical, fascist or communist, or one of the many and odd forms of democracy. If public opinion, brought face to face with the facts, chooses to express itself one need not wait for new elections or for the return of economic prosperity. Action may quickly be had if public opinion so requires and demands. What will the American people do about it?

APPOINTING AND REMOVAL POWERS OF THE PRESIDENT—ADDRESS  
BY CHARLES E. MORGANSTON

Mr. GOFF. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Charles E. Morganston delivered over the radio on Monday evening, January 26, 1931. Mr. Morganston is a distinguished member of the Washington bar. The discussion is devoted solely to the appointing and the removal powers of the President of the United States. It is truly a historical sketch; but it is more than a mere reference to the origin of the constitutional provisions controlling this most important question. It explains the source of the appointing power, and it interprets it. It also makes clear the many struggles in and between the legislative and executive departments of our Government as the issues and periods of our growth raised and developed. It embraces the minute steps in the progress of democratic regulation, as it strives to eliminate confusion in the application of logical principles in human affairs. It points the way clearly to these differences, it tells us in the lights of history where the jurisdiction of each department begins and where it ends, and it proves conclusively that supreme power confined exclusively in each is the sine qua non to stability and confidence in this or any other Government where the people surrender and reserve their rights in an effort to accomplish the greatest good for the greatest number.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The appointing and removal power of the President has, since the Constitutional Convention of 1787 to the present day, been the subject of controversial discussion and debate.

This question is again before the United States Senate in its attempt to repudiate its former action in confirming three of the members of the Federal Power Commission. In short, the Senate is seeking the removal of these officers, and has asked the President to return to it the resolution of confirmation in order that it might reconsider its former action. This method and procedure is original and is now invoked for the first time in legislative history. The President has refused to accede to the Senate's request.

As the following comments conclusively show, the Senate is without power to remove, other than by impeachment proceedings, an officer of the executive department. The power of removal of an officer of the executive branch is solely an Executive prerogative, constitutionally conferred upon the President, and all officers of the executive arm of our Government hold their offices at the will and pleasure of the President. He alone has the power to remove them.

The provisions of Article II, section 2, clause 2, of the Constitution which blend action by the legislative branch in the work of the Executive are limitations to be strictly construed and not to be extended by implication. The President's power of removal is further established as an incident to his specifically enumerated function of appointment by and with the advice of the Senate, but that such incident does not by implication extend to removals the Senate's power of checking appointments. Without such inherent and unrestricted power of removal, it would be impossible for the President to "take care that the laws be faithfully executed."

CONSTITUTIONAL CONVENTION OF 1787

The power of appointment and removal was judiciously considered by the framers of our Constitution during the Constitutional Convention of 1787 when the question of the division of departments of our Government was first brought up.

If a division of departments was to be had, were they to include an executive department; and, if so, was it to have a single head or was it to consist of a plurality of officers, and on the establishment of such a department what appointing power was its head to enjoy, if any? Culminating from the debates during the convention, three distinct plans of government were presented, known as the Virginia plan, the New Jersey plan, and the plan of Alexander Hamilton. From these several plans the idea of the appointing power on the part of the authors is well defined, and the essential differences of these projects, as they were considered, were:

1. Shall the appointing power be given exclusively to one or both Houses of Congress; or
2. Shall it be given to the Executive, subject to legislative control; or
3. Shall the appointing power be limited in its choice to those who are not Members of Congress?

While these questions constituted the pronounced conclusions of the delegates, yet there was diversity of opinion among some of them, as the timid ones, who were still haunted by the fear of monarchy, favored placing the chief power in Congress but making its Members ineligible to office, thus avoiding, as they thought, too great a power in the hands of one man, and removing any means of temptation from a numerous body. But the more resolute, farsighted members knew that if the executive was to be an executive in more than name he must be given adequate powers, unhampered by needless restrictions; that if he was to carry out the will of the people and be responsible to them, he must be given the choice of his servants.

On July 26, 1787, some two months after the convention had assembled, a series of 23 resolutions was referred to a committee of detail, with instructions to report a constitution based upon them. These resolutions were a paraphrase of the Virginia plan. The twelfth resolution specifically provided "that a National Executive be instituted, to consist of a single person, to be chosen by the National Legislature," and to have power "to appoint all officers in cases not otherwise provided for."

On September 4, 1787, the committee of 11 reported an entirely new draft and one fundamentally different from the draft of August 6. By article 4 of this draft it was provided that the President should be chosen by an Electoral College for a term of four years, and that "by and with the advice and consent of the Senate, shall have power to make treaties; and he shall nominate and, by and with the advice and consent of the Senate, shall appoint ambassadors and other public ministers, judges of the Supreme Court, and all other officers of the United States whose appointments are not otherwise herein provided for." Thus, instead of dividing the power of appointment between the Executive and the Senate, as had been provided for in the draft reported by the committee of detail, it was now proposed to have the appointing power united in the Executive, with the power of negating these presidential nominations being vested in the Senate. The expressed idea heretofore was to vest Congress with the appointing power with a negative in the President. Under the system embodied in the present draft, the Executive alone assumes the responsibility in making his selections and nominating them for senatorial approval. This draft, as reported, was substantially adopted by the convention, and in the finished draft of the Constitution the section dealing with the appointing power is nearly identical with the recommendations contained in the draft of the committee of 11, as will be noted from Article II of the Constitution.

Section 2, clause 2: " \* \* \* and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for; but the Congress may by law vest the appointment of such inferior officers, as they may think proper, in the President alone, in the courts of law, or in the heads of departments."

Section 2, clause 3: "The President shall have power to fill up all vacancies that may happen during the recess of the Senate, by granting commissions which shall expire at the end of their next session."

Section 3: " \* \* \* and shall commission all officers of the United States."

THE INTERPRETATION OF CONGRESS IN 1789

On May 19, 1789, during the first session of Congress, the question of the proper interpretation of the appointing clause arose when Mr. Madison moved the establishment of the executive Departments of Foreign Affairs, of the Treasury, and of War. The debates following the motion offered for discussion many propositions, the most of importance being:

1. Does the appointing power include the removing power?
2. Does the removing power belong to the President or to the Senate?
3. If the power of removal belongs to the President, can Congress provide for a specific tenure to be attached to any particular office?

After the debate upon Mr. Madison's motion, the committee of the whole instructed him to introduce a resolution calling for the establishment of a Department of Foreign Affairs. According to this resolution the Secretary (who was to be the head of this department) was to be an officer "appointed by the President by and with the advice and consent of the Senate," and "to be removable by the President." The removal phrase led to a renewal of the debate upon the correct interpretation of the clause in the Constitution dealing with the appointing power.

The arguments in favor of presidential removal received their most cogent expression in the remarks of Mr. Madison, and in this connection it is interesting to observe that the strongest note sounded by him in his plea for presidential removal was that of "expediency." Mr. Madison and his supporters dwelt at great length that Article II gave the President the sole power of removal, and that it should be so construed, as without such construction it would be impossible to place responsibility on him for his conduct as head of the executive branch, as the third section of the article expressly declared the President's duty and responsibility to "take care that the laws be faithfully executed," and that if he was to be responsible to the people in seeing that the laws were faithfully carried out he should not be hampered or embarrassed by the intervention of any other department in



encroaching upon the President's office and duties by any limitation, and, in stressing this construction upon his colleagues, said:

"Vest this power in the Senate jointly with the President and you abolish at once that great principle of unity and responsibility in the executive department which was intended for the security of liberty and the public good. If the President should possess alone the power of removal from office, those who are employed in the execution of the law will be in their proper situation and the chain of dependence be preserved; the lowest officers, the middle grade, and the highest will depend, as they ought, on the President, and the President on the community."

During this great debate it was pointed out that the power of removal, though equally essential to the executive power, is different in its nature from that of appointment.

On June 22, in the renewal of the discussion, Mr. Benson moved to amend the bill by altering the second clause, so as to imply the power of removal to be in the President alone. The clause enacted that there should be a chief clerk, to be appointed by the Secretary of Foreign Affairs. The amendment proposed that the chief clerk, "whenever the said principal officer shall be removed from office by the President of the United States, or in any other case of vacancy," should, during such vacancy, have the charge and custody of all records, books, and papers appertaining to the department. Mr. Benson stated that his objection to the clause "to be removable by the President" arose from an idea that the power of removal by the President hereafter might appear to be exercised by virtue of a legislative grant only, and consequently be subjected to legislative instability, when he was well satisfied in his own mind that it was fixed by a fair legislative construction of the Constitution, and declared that if he succeeded in this amendment he would move to strike out the words in the first clause, "to be removable by the President," which appeared somewhat like a grant.

His motion to strike out the removal clause was carried by a vote of 31 to 19.

It is unquestionably clear that the exact question which the House voted upon was whether it should recognize and declare the power of the President under the Constitution to remove the Secretary of Foreign Affairs without the advice and consent of the Senate. That was the purpose of the vote.

On July 14 this bill came up before the Senate for discussion, and, as had been expected by the Members of the House, the division in the Senate was nearly equal. When the bill was introduced Mr. Maclay rose to attack the measure, contending that the Senate should share the removal power equally with the President, as is the case with appointments.

Mr. Ellsworth proceeded to answer Mr. Maclay in a carefully prepared speech, in which he maintained that inasmuch as removal from office is an executive function, the power to do so should be considered as reposing only in the President, and, in defense of the President's prerogative, held that "the three distinct powers—legislative, judicial, and executive—should be placed in different hands. 'He shall take care that the laws be faithfully executed' are sweeping words. The officers should be attentive to the President, to whom the Senate is not a council. To turn a man out of office is an exercise neither of legislative nor of judicial power; it is like a tree growing upon land that has been granted. The advice of the Senate does not make the appointment. The President appoints. There are certain restrictions in certain cases, but the restriction is as to the appointment and not as to the removal."

Thus at the end of this important debate four conclusions had been arrived at:

1. That the appointing power includes the removing power.
2. That both of these powers belong to the President, the Senate having simply a negative on appointments.
3. Where the tenure of office has not been provided for by the Constitution, the office is held at the pleasure of the appointing power.
4. Heads of departments are not "inferior" officers.

#### CONTENTIONS OF SUCCESSIVE PRESIDENTS

In 1833 President Jackson directed his Secretary of the Treasury, William J. Duane, to issue an order providing that henceforth all Government funds should be deposited in specified State banks instead of the Bank of the United States. Duane willfully evaded the instructions of Jackson, whereupon Jackson dismissed him. A heated controversy arose in Congress relative to presidential removals, and in the Senate a resolution was passed censuring the President in removing the deposits from the United States Bank, declaring he had exceeded his constitutional authority.

In 1835 John C. Calhoun introduced a bill to reduce Executive patronage, as he was bitterly opposed to giving the President the sole discriminate power of appointment and removal to the vast field of offices subject to the pleasure of the President. In the discussions that followed a heated debate ensued between Mr. Webster and Charles Francis Adams, resulting in favor of Mr. Adams, who contended that the power of removal belonged to the President.

On August 12, 1867, President Johnson, in disregard of the terms of the tenure of office act of March 2, 1867, suspended Edwin Stanton, Secretary of War, and immediately appointed Grant ad interim to the post. This action on the part of the President so embittered the Senate that it led directly to impeachment proceedings against him. During the course of the trial the question of presidential removal was thoroughly reviewed. On May 26, 1868, the last vote on the impeachment was taken and resulted in Johnson's acquittal by a vote of guilty 35, not guilty 19—only 1 vote short of conviction.

In the Winter of 1885-86 fresh trouble broke out between President Cleveland and the Senate with regard to presidential removals. Upon his accession to the presidency, Cleveland had to deal with a tremendous onslaught of office seekers, with the result that wholesale removals and appointments were made, so that up to the convening of the Senate in December, 1885, 643 officeholders under the preceding administration were ousted and a like number appointed. All these recess appointments were sent to the Senate within 30 days after the opening of the senatorial session, but during the three months following only 15 of such nominations were confirmed for appointment. This was due to the hostile Republican Senate Cleveland had to face; and instead of passing upon the nominations, that body referred them to numerous committees, apparently for the purpose of delay.

One of these recess nominations was that to the office of the district attorneyship for the southern district of Alabama. This office became vacant July 17, 1885, by Cleveland's removal of the incumbent and he immediately appointed another to the office. The first action relative to the office was a call by the Judiciary Committee, December 26, 1885, to the Attorney General requesting the transmission of "all papers and information in the possession of that department," regarding the nomination and "the suspension and proposed removal from office" of the former incumbent. The Attorney General partially complied with the request of the committee by transmitting the papers bearing upon the nomination of the proposed appointee but refused to transmit any papers relative to the removal of this officer, stating that he was directed by the President to say "that it was not considered that the public interest will be promoted by a compliance." The position taken by both the President and the Attorney General, and also the Judiciary Committee, raised the "important question whether it is within the constitutional competence of either House of Congress to have access to the official papers and documents in the various public offices of the United States, created by laws enacted by themselves." The Judiciary Committee in their report on the question asserted that the Senate possessed such a right and accordingly recommended a resolution to the Senate for adoption wherein the Attorney General was censured and it further declared it to be the duty of the Senate "to refuse its advice and consent to proposed removals of officers" when papers relating to them "are withheld by the Executive or any head of a department." This issue was met by the President in his defiance of the Senate. He took the stand that all presidential removals were made unencumbered by any restriction of the Senate, and that all papers in connection with Executive appointments and removals were the property of the Executive and in no proper sense as upon the files of the department.

Congress, likewise, showed its hostility toward Cleveland in its prolonged delay in confirming Mr. Lamar, an eminent politician, as Associate Justice of the Supreme Court, of Melville W. Fuller as Chief Justice of the Supreme Court, and of James C. Matthews as recorder of deeds of the District of Columbia.

On June 4, 1920, President Wilson returned the budget and accounting bill to Congress with his veto. He disapproved of section 303 of the bill, which provided, in part, that the Comptroller General and the Assistant Comptroller General "may be removed at any time by concurrent resolution of Congress." The President based his disapproval on the grounds, first, that the power of appointment of officers of the United States carried with it as an incident the power to remove, and that Congress was without constitutional power to limit the appointing power and its incidental power of removal derived from the Constitution; and, second, that Congress has no constitutional power to remove an officer of the United States from office by a concurrent resolution. When the bill finally became law it provided that the Comptroller General was to be removable only by joint resolution of Congress. Just before his retirement, President Wilson experienced great difficulty in securing the consent of the Senate to his nominations, numbering more than 10,000.

President Harding, likewise, raised the ire of the Senate in his removal of 28 officials of the Bureau of Engraving and Printing, including the director of the bureau, but the Senate did nothing other than bring pressure upon the President for the reinstatement of certain of the officials.

President Coolidge, in one of his messages to Congress, in response to a resolution of the Senate that it was the sense of that body that the President should immediately request the resignation of the then Secretary of the Navy, replied:

"No official recognition can be given to the Senate resolution relative to their opinion concerning members of the Cabinet or other officers under Executive control."

"The dismissal of an officer of the Government, such as involved in this case, other than by impeachment, is exclusively an Executive function. I regard this as a vital principle of our Government."

As has already been repeatedly shown in the preceding comments, the power of removal is incident to the power to appoint, and irrespective of any designated term or tenure, all presidential appointments are at any time and for any cause, or at the will and pleasure of the President, or the head of a department, removable by him, and the office is held by the incumbent during such pleasure of the authority making the appointment.

#### SUPREME COURT'S DECISION

The United States Supreme Court has, since the tenure of office act, manifested an earnest desire to avoid a final settlement of this question until the question was properly brought before it, as it was in the case of *Myers v. United States*. However, the



courts, including the Supreme Court, have heretofore had certain phases of this question repeatedly before them and have held that each of the three departments of Government are separate and distinct and not interdependent.

Briefly stating the facts in the Myers case, Myers was appointed on July 21, 1917, by the President, by and with the advice and consent of the Senate, to be a postmaster of the first class at Portland, Oreg., for a term of four years. On January 20, 1920, the resignation of Myers was demanded, but he refused the demand. On February 2, 1920, he was removed from office by order of the Postmaster General, acting by direction of the President, and his salary, of course, automatically ceased. Myers, however, insisted that he still had the right to the office, and made no effort to pursue any other occupation. The following August the President made a recess appointment of one Jones, who took office September 19, 1920. Myers asserted that the order of his removal was illegal, as it conflicted with the law under which he was appointed and held office. According to the sixth section of the act of Congress of July 12, 1876, under which postmasters are appointed, Myers contended that the Senate must approve of the removal. This section reads as follows:

"Postmasters of the first, second, and third classes shall be appointed and may be removed by the President by and with the advice and consent of the Senate, and shall hold their offices for four years, unless sooner removed or suspended according to law. \* \* \*

This case, after being heard in the Court of Claims, reached the Supreme Court to pass upon the question as to the legality of the act in so far as it conflicted with Article II of the Constitution in attempting to restrict and limit the President's removal authority and power, and by its decision of October 25, 1926, this court decided in favor of the Government. Chief Justice Taft delivered the opinion of the court, and after a very lengthy and exhaustive report concluded as follows:

"While this court has studiously avoided deciding the issue until it was presented in such a way that it could not be avoided, in the reference it has made to the history of a statutory construction not inconsistent with the legislative decision of 1789, it has indicated a trend of view that we should not and can not ignore. When on the merits we find our conclusion strongly favoring the view which prevailed in the First Congress, we have no hesitation in holding that conclusion to be correct; and it therefore follows that the tenure of office act of 1867, in so far as it attempted to prevent the President from removing executive officers who had been appointed by him and with the advice and consent of the Senate, was invalid and that subsequent legislation of the same effect was equally so. For the reasons given we must therefore hold that the provision of the law of 1876 by which the unrestricted power of removal of first-class postmasters is denied to the President is in violation of the Constitution and invalid."

The court's decision also embodied that " \* \* \* He must place in each member of his official family and his chief executive subordinates implicit faith. The moment that he loses confidence in the intelligence, ability, judgment, or loyalty of any one of them he must have the power to remove him without delay. \* \* \* Finding such officers to be negligent and inefficient, the President should have power to remove them. \* \* \* The imperative reasons requiring an unrestricted power to remove the most important of his subordinates \* \* \* must, therefore, control the interpretation of the Constitution as to all appointed by him."

The power to prevent the removal of an officer who has served under the President is not analogous to the authority to consent to or reject his appointment. When a nomination is made it may be presumed that the Senate is, or may become, as well advised as to the fitness of the nominee as the President, but in the nature of things the defects in ability, intelligence, or loyalty in the administration of the laws of one who has served as an officer under the President are facts as to which the President or his trusted subordinates must be better informed than the Senate, and the power to remove him may therefore be regarded as confined for very sound and practical reasons to the governmental authority which has administrative control. The power of removal is incident to the power of appointment, and when the grant of the Executive power is enforced by the express mandate to take care that the laws be faithfully executed it emphasizes the necessity for including within the Executive power as conferred the exclusive power of removal.

The Senate well knows that the removal power is solely an Executive function but laments in the President's defiance of senatorial usurpation of his vested prerogative, and its continued attempts to bring about the displacement of the three members of the Power Commission is nothing more than a political drama.

All senatorial rules are for the government and routine of that body, and any oversight in the enforcement, or willful evasion, of them constitutes a waiver and, in the instant case, has no effect upon the appointment or removal of the power commissioners. Should the Senate carry out its threat in bringing court proceedings to test this phase of the appointments, the court's finding would necessarily be adverse to the Senate's contention, as Congress is without power to override the provisions of the Federal Constitution by the enactment of such regulatory rules, which constitute no part of that great instrument of government.

#### EXECUTIVE MESSAGE AND APPROVALS

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one

of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On January 26, 1931:

S. 196. An act to provide for uniform administration of the national parks by the United States Department of the Interior, and for other purposes;

S. 4149. An act to add certain lands to the Ashley National Forest in the State of Wyoming;

S. 5036. An act to extend the time for completing the construction of a bridge across the Delaware River near Trenton, N. J.; and

S. J. Res. 177. Joint resolution to provide for the erection of a memorial to William Howard Taft at Manila, P. I.

WOODROW WILSON

Mr. GLASS. Mr. President, I ask leave to have published in the RECORD the remarks of James Brown Scott as presiding officer at a meeting of the Woodrow Wilson Foundation in the National Theater, Washington, D. C., on Sunday afternoon, January 4, 1931, and also the address delivered by ex-Associate Justice John H. Clarke.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

REMARKS OF JAMES BROWN SCOTT AS PRESIDING OFFICER AT A MEETING OF THE WOODROW WILSON FOUNDATION IN THE NATIONAL THEATER, WASHINGTON, D. C., JANUARY 4, 1931

Mr. Chairman, Mrs. Wilson, ladies, and gentlemen, the distinguished guest of the afternoon will address you upon Woodrow Wilson, the World Court, and the League of Nations; and it would be unbecoming on the part of one, whose duty it is to preside and to present the speaker, to encroach upon a field which he has thoroughly made his own and thus withhold you from the pleasing prospect which lies before you.

I would venture, however, to quote a few lines from a message which President Wilson delivered in person to the Congress in 1914, on the 5th day of March—but a few months before the fateful summer:

"I have come to ask you for the repeal of that provision of the Panama Canal act \* \* \* which exempts vessels engaged in the coastwise trade of the United States from payment of tolls and to urge upon you the justice, the wisdom, and the large policy of such a repeal with the utmost earnestness of which I am capable.

"In my own judgment, very fully considered and maturely formed, that exemption constitutes a mistaken economic policy from every point of view. \* \* \* But [he continued] I have not come to urge upon you my personal views. I have come to state to you a fact and a situation. \* \* \* The large thing to do is the only thing that we can afford to do, a voluntary withdrawal from a position everywhere questioned and misunderstood."

It is evident that the President, who on that occasion stood before the Members of the House of Representatives and of the Senate of the United States, had an international mind and that the national problems which were to confront his administration would be viewed in the light of an international public opinion.

While I may not discuss this matter, there is a question which has greatly occupied, indeed excited, the good people of the United States since the beginning of the present century, a question which had busied our statesmen in the first quarter of the preceding century, that is to say, the extent to which the foreign policy of the United States may change with the change of conditions, and the extent to which the Government of the United States may enter into closer relations, and into some form of association, with the other free and independent countries of the world.

Although but 30 years had passed, John Quincy Adams, then President of the United States, found himself confronted with the policy, already traditional, of Washington's Farewell Address, which while advocating close commercial relations with Europe, advised his countrymen to have as little political intercourse as possible with that part of the world, because it was both "detached and distant" and its primary set of principles was different from our own.

But what if conditions should change; what if we should find ourselves, as it were, next door neighbors to a group of nations nonexistent in Washington's day, with which we would and indeed must have commercial relations, whose political principles were American like ours? And again, what if the Atlantic, instead of separating, should unite us with a different Europe, whose primary set of principles had become democratic and therefore American?

When Washington delivered his famous address, John Quincy Adams was a minister plenipotentiary of the United States, appointed by Washington, and serving as such; and was later to be the staunchest supporter of the defiant Monroe doctrine, with which his name is inseparably connected. And as President, he answered the first of the questions for the nascent Republics to the south; he even suggested the answer to an association of European States, when the conditions condemned by Washington



had changed to such an extent that, barring geography, they were substantially those of the American states, whose independent existence had caused President Adams to consider the effect of changing conditions since the address of his venerated predecessor.

What was the conclusion to which the President of another generation had come? Faithfully adhering to the spirit of the farewell address, he nevertheless said:

"I can not overlook the reflection that the counsel of Washington in that instance, like all the counsels of wisdom, was founded upon the circumstances in which our country and the world around us were situated at the time when it was given."

"Thirty years have nearly elapsed," he continued, "since it was written, and in the interval our population, our wealth, our territorial extension, our power, physical and moral, has nearly trebled."

What would he have said had he been President a century later?

In any event, President Adams felt justified in accepting the invitation which had provoked the discussion on the ground that "far from conflicting with the counsel or the policy of Washington," it was "directly deducible from and conformable to it."

What was this invitation and what were its implications? The invitation was from the south to attend a conference of certain American Republics at the Isthmus of Panama—an Isthmus which was to engage the attention of President Wilson nearly a century later. Having convinced himself that the "traditional policy" of the Republic of the north allowed commercial relations with the struggling states to the south, whose independence had been barely acknowledged, because they were neither "detached" nor distant, and as their principles were American, and therefore like our own, President Adams accepted the invitation, because with the changing conditions, "the traditional policy," although it was Washington's, would of necessity change.

The Republics were Mexico, Central America—then a single State, but now a cluster of five—Colombia—then including what are now Venezuela, Ecuador, and Panama—and, lastly, Peru. With the exception of the United States, they were all of Spanish origin. They wished to enter into closer relations, and actually formed a treaty of perpetual union, league, and confederation, pledging themselves to recognize and to guarantee each other's political integrity; to settle the disputes between and among them by conciliation and by mediation in a council, permanent in the sense that it should meet at stated intervals; to solicit good offices, interposition, and mediation of the contracting parties in order to settle peaceably disputes with foreign states; and any state failing "to comply with the decision of the assembly," having previously submitted to it the matter, as it was obliged to do, should be excluded from the confederation and should not again "belong to the league, except by the unanimous vote of the parties" proposing each reinstatement. The assembly itself, it is to be said—and how like to-day it sounds—was not merely to conciliate, to mediate, and to decide, but, upon the request of a contracting party, if its opinion or advice upon any question or serious matter were asked, was to give what we would call an "advisory opinion," "with all the frankness, interest, and good faith demanded by fraternity."

President Adams considered the presence of the United States of such importance that he submitted the question of accepting the invitation to the House of Representatives, which advised in its behalf, and to the Senate, which advised to the contrary, but which confirmed the nominations of Messrs. Anderson and Sergeant, the delegates whose names the President, because of the importance which he attached to our participation, had submitted to the Senate for confirmation.

Unfortunately, the delay involved prevented the representatives of the United States from arriving before the Congress had adjourned. However, believing with both Bolivar and our Henry Clay, then Secretary of State, that the Congress of Panama of 1826 was fundamental, that it would mark an epoch in international relations, and that the present was an occasion which might not again present itself so auspiciously, some three years after its adjournment and the day before his term expired, on March 3, 1829, President Adams laid a copy of Secretary Clay's instructions to the American delegates before the Senate, although there was no probability of the renewal of the negotiations, stating that "the purposes for which" the "instructions were intended are still of the deepest interest to our country and to the world, and may call again for the active energies of the Government of the United States."

What Bolivar had dreamed and Clay and Adams saw as in a vision was not to materialize in Panama. Is it to be in Geneva?

And must we not say that John Quincy Adams was as good a prophet as he was an interpreter of Washington's Farewell Address?

If Washington were living to-day and confronted with a Europe at the end of four long years of internecine war, and in the throes of an economic distress which affects not only the states of Europe but all the Americas, including the United States as well—a Europe which, looking westward and taking a leaf from our book of experience, is endeavoring to form of the European nations a United States of Europe, as our Franklin advised them to do more than a century ago, would it not be unfair to suggest that either Washington or John Quincy Adams would look upon the newer Europe as still remote, and as having a set of political principles so different and so alien as to prevent our sympathy and, indeed, our cooperation?

Therefore, to speak of the world of our day—the world of 1931—if the pact of the League of Nations is imperfect, why should not

the critics perfect it if they believe in an association of nations and the peaceful settlement of disputes by common accord?

But time—is it not doing what they have not done? Some of the questioned articles—a guaranty of territorial integrity, of political independence, economic pressure, armed intervention, to bring a recalcitrant State and member to terms—are they to be invoked in the future or are they already considered as merely dead letters?

If, therefore, it be a good thing to meet and confer and if we no longer fear the questionable articles, should we or should we not meet and confer at Geneva without or within the covenant?

Permit me, Mr. Chairman, Mrs. Wilson, ladies and gentlemen, to call your attention again to a fragment from President Wilson's address to the Congress on the Panama tolls and ask if it does or does not apply to the present situation:

"I have not come to urge upon you my personal views. I have come to state to you a fact and a situation. . . . The large thing to do is the only thing that we can afford to do, voluntary withdrawal from a position everywhere questioned and misunderstood."

Whatever may be the view on this side of the water, the world, it would seem, has taken position; and possessed of the fact and informed of the situation, posterity, which has little respect for the backward looking, enters its judgment for those who, irrespective of form or expression, have preferred the ideal to material success and have devoted their lives to its realization. Can we doubt what the verdict will be in the case of him whom to-day we honor—standing erect with feet on the ground and with head in the air—idealist, internationalist, realist—for only the ideal is real in the realm of the spirit.

The world, I repeat, seems to have made up its mind and some day the opinion of the world—will it not be our opinion? It has taken him into its heart, and in the future, as in the past, the opinion of the world, will it not prevail?

Who is better able to appreciate an ideal and to state its value and importance in the world at large than one who is himself an idealist and who believes in the ideal which he embodies and is about to expound? And who could do so with greater poise than one who has been a justice of the Supreme Court of the United States and who, because of his interest in President Wilson's ideal, resigned from the bench in order to devote himself to its realization?

Mr. Chairman, Mrs. Wilson, ladies and gentlemen, the Hon. John H. Clarke, late Associate Justice of the Supreme Court of the United States.

#### ADDRESS DELIVERED BY EX-ASSOCIATE JUSTICE JOHN H. CLARKE

Ladies and gentlemen, you all must see that I am no longer young. This will probably be the last attempt I shall make to deliver a public address and I wished it should be here in the Capital of my country, and that it should be a plea for the organization of the nations of the world for permanent peace. I shall be fortunate if my strength holds to conclude what I should like to say to you this afternoon, brief though it is.

#### WILSON—THE LEAGUE—THE WORLD COURT

Woodrow Wilson was born on the 28th day of December; the League of Nations was organized on the 16th day of January; and the World Court of Justice was organized on the 30th day of January. Thus these three events, which will always be closely linked in the history of civilization and of peace, are so related in time of origin that a commemorative birthday anniversary service for all three may with every propriety be united in a single day in January of each year, as we are uniting them to-day.

Men, even very great men, live for a few years, die, and are promptly forgotten. Even Presidents of the United States, not very long dead, have all been forgotten save four, who live on because of their supremely great service to their country and to mankind.

#### WASHINGTON

George Washington still lives, because he was—he still is—in a very real sense the Father of his Country. If Washington had died at any time between July 4, 1776, and the surrender at Yorktown the American Revolution would have failed. If he had not been a member of the convention which framed the Constitution of the United States, that wise charter to which we owe so much would have failed in the convention, probably; or if not there, of adoption certainly. Yes; Washington still lives!

#### JEFFERSON

Thomas Jefferson still lives because he wrote the Declaration of Independence.

The grave economic crisis through which we are just now passing, in which it is the proclaimed determination of our Government and of our people that no man shall perish from hunger or cold in this land of plenty, is giving a new emphasis to the declaration that it is self-evident truth that all men are endowed by their Creator with the inalienable right to life, liberty, and the pursuit of happiness. It would be rash for any man in the public life of to-day to seriously or flippantly scoff at this first declaration of our Republic as a thing of "glittering generalities." Yes; Jefferson also still lives!

#### LINCOLN

It is an unusual man who can call the names in the succession of Presidents through the half century after Jefferson until the sad, wise, patient, even to the intimate friends of his youth, the mysterious Abraham Lincoln came to write with his pen and with his life the emancipation proclamation. Yes, Lincoln still lives,



because he loved his country, the Union, and his fellow men, and in high fashion strove to serve them all.

#### WILSON

Again for another 50 years the succession of Presidents is remembered only in books until another grave, wise, courageous President emerges, learned in the history of men and nations, with a consuming passion for the welfare of his unprivileged fellow men and for the peace of the world, and gifted with the vision of a prophet. Woodrow Wilson still lives because, in a very real sense, also with his pen and with his life, he wrote the covenant of the League of Nations. He literally breathed the breath of life into the noble conception of a world league of peace which had haunted the imagination of the wise and good of many nations for centuries. He brought that dream down from the clouds, and by valiant fighting embodied it in a political institution which after trial of 11 years, it is the language of restraint to say, is as firmly established in the world as is the Government of the United States or that of the British Empire.

In May, 1923, being in Washington, I called to pay my respects to Mr. Wilson. The fatal blow had fallen some months before; we were quite alone and our talk was familiar and conventional enough until we came to the League of Nations, when he startled me by saying, "Oh, if only I could have died at Pueblo, it would have been better for the great cause."

My futile efforts to divert his thought and encourage his hope resulted only in a wan smile upon the face of the obviously dying man, which said plainly, as if in words, "This falling body of mine is nothing—the great cause of permanent peace for the world is everything."

Many, perhaps most of you here present, know how Mr. Wilson was warned by his physicians that in his then state of health—worn as he was with the anxieties of war, the strain of the Paris conference, and of the strife at home—such a speaking tour as he contemplated involved a risk which would probably prove fatal, and how he replied, in substance, "There is no other way to carry the fateful message home to the people in whom I put my trust, and, be the result what it may, I must, I will, take the risk."

In this spirit he went forth, alone, bravely to attempt the accomplishment of what he believed to be—what the wise years are so surely proving to be—the most important result of the World War. We all remember how weaker and weaker he became on the long journey to California and back to Colorado until his frail body proving too weak for his mounting, imperious spirit he fell—as certainly a casualty of the Great War as was any soldier who fell fighting for his country on a battlefield of France.

#### HISTORY WILL TAKE CARE OF HIM

But Woodrow Wilson needs no eulogy from me nor from any other man. His place with our few truly great Presidents is secure. His life and his labors place him by universal acclaim in the front rank of the leaders of the greatest moral movement in the history of the statesmanship of the world. His is the glory of having inaugurated one of those great advances in civilization which have come at such long intervals in the history of the race. Greater honor could no man have. I leave him as Mr. Colby leaves him: "History will take care of him! History will take care of him!"

#### THE LEAGUE

The outstanding merit of the League of Nations after 11 years is its unflinching patience—confident that come it soon or late the blessing will come and that the league will be there to receive it.

The outstanding achievements of the League of Nations in 11 years are: The treaties of Locarno, to which its relation is that of parent to child. The Paris pact, or as we call it in America, the Kellogg-Briand treaty, which would never have been dreamed of save in the world atmosphere created by the League of Nations; and above all that surviving the perils and ills of youth, and the bitterest possible misrepresentation in what should have been the house of its friends, it still lives, lives on in the perfect confidence of more than 50 nations that it has before it a long, an unending future of highest service to the world—even though for the present it is deserted by Russia, and alas, alas! by our own United States.

There is no better way of obtaining a realizing appreciation of the importance of a political institution, and of the magnitude of the place it is filling in the world, than for us to imagine what the world would be if it were suddenly withdrawn; if it should suddenly disintegrate and disappear.

Let us imagine for a moment that at the meeting of the Assembly of the League of Nations next September a resolution were unanimously adopted declaring that the League of Nations having failed to accomplish the high purposes of its organization, is hereby dissolved; that the member nations are released and absolved from all obligations assumed under the covenant of the league; and that this last meeting of the assembly is hereby adjourned without day.

It is not difficult to imagine the painful silence in which the 150 delegates from 50 nations would separate for the last time, each condemned to carry the report home to his Government that the supreme effort of all time to organize the world for permanent peace had failed. It is not difficult to imagine the shock, the wave of dismay and despair that would sweep through the world with the announcement that our existing social order, our civilization, after 11 years of trial, had confessed itself wholly incapable of dealing successfully with modern war, which all mankind now agrees has become the greatest scourge of the human

race. Verily, "It would break the heart of the world," let petty men scoff at the expression as they may.

But passing from imagination, consider what the effect would be in the world of cold realities.

First of all, the only treaty in the world, or that ever has been in the world, signed by more than 50 nations and containing not only a rational program for settlement by "peaceful means" of disputes immediately threatening war but also processes for settling in their early stages differences likely to lead to war would disappear in the failure of the covenant of the League of Nations.

Yet more. Unless there be no such thing as national honor left in this modern world of ours, the treaties of Locarno together constitute the most perfect program yet devised for making an end of war—for outlawing war, if you prefer—in all that area of central and western Europe in which most of the great wars of modern times have originated. No man can read these Locarno treaties attentively without seeing they are so interlaced with the covenant of the League of Nations that they would be utterly valueless and unworkable without it. There can not be any doubt at all that if the covenant of the league should fail the treaties of Locarno, freighted as they are with the hopes of many millions—of all that is best in Europe and in Britain—must fall with it.

Thus there would remain only the Kellogg-Briand treaty as a protection for civilization against oncoming world war. Imagine for a moment that brief, confessedly imperfect instrument as the sole protection of a demoralized world against impending wars. It contains no provision whatever for conference or conciliation, for arbitration or court decision, which are civilization's ways of settling international disputes. All of the nations which signed that treaty save two did so relying confidently upon the provisions of the covenant to supplement it and give it vitality and power as a practical agency of peace. But with the covenant falling in such a crisis as we are imagining, the Kellogg-Briand treaty could not possibly stand alone for an hour.

Thus this cursory imaginary view shows not only the great place which the league now occupies in the world, but also beyond controversy that the covenant of the league is the foundation of the whole present-day peace structure of the world; that if the league should fall all must fall, and that without it mankind would stand helplessly, despairingly awaiting the oncoming of another World War, the political, social, moral, and financial effects of which no man can measure.

#### FOUR OF FIVE FOREIGN WARS

In the 150 years of our national life, our Government has been involved in five foreign wars, and four of these wars—four of the five—have been with European Nations. And yet there are those of us who profess to believe that if our most powerful Nation in the world should send three delegates once a year to Geneva, to there confer with like representatives of the other civilized nations concerning measures to promote permanent peace in the world, we should certainly become entangled—entangled is the magic word—in the future wars of Europe.

Well, having regard to the history of Europe during the last century and a half, it is very difficult to imagine how we could possibly become more deeply entangled in future European wars—four out of five—than we have been entangled in them in the past, although all the time we were protesting, even seriously believing, that we were holding sternly aloof from that wicked continent.

Notwithstanding this recorded history, it must be confessed that the leaders of the Republican Party attribute their triumph over the league of peace in 1920, and again in 1924, largely to the influence upon the electorate of the slogan industriously repeated throughout the land, "No entangling alliances with Europe."

#### A FALSE, A DECEITFUL SLOGAN

Likewise it must be confessed that the leaders of the Democratic Party in 1928, confessing their fear of the influence of that slogan, surrendered the cause of world peace to its enemies, and said not a word of the League of Nations or of the World Court of Justice in the long national platform which it adopted in that year. Oh, the pity of it, that a whole great nation which has had free schools, even compulsory attendance almost everywhere for two generations, should surrender its judgment, its duty to deal intelligently with the most fateful of problems, to a catchy, an entangling slogan, which, having regard to present-day conditions, is an utterly false and deceitful slogan.

This slogan, "No entangling alliances with Europe," was wise and sound enough when Washington and Jefferson formulated it 135 years ago for an America poor and weak, without men or money or ships, and with as yet an untried Union. But it is a false, a timid, and unworthy slogan for a nation with the greatest population in the world of men and women capable of waging modern war, and all united in an indissoluble Union of indestructible States, with as powerful a Navy and potentially as great an Army as any in the world, rich beyond the dreams of avarice, and be it always remembered much more favorably placed with respect to possible enemies than any great nation there is now or that ever was in the world. Why should America be afraid?

To an intelligent and candid people the slogan, "No entangling alliances with Europe," should be, it is confidently predicted that it soon will be, the jest, the scoff, of all serious men and women everywhere because so absolutely impossible as applied to present-day conditions.

Even now, since the god of prosperity which we all so sedulously worshiped has deserted us, there are signs that this unworthy slogan is no longer the open sesame to the doors of political place



and power. The recent election results in Illinois and New Jersey are impressive evidence of this.

There are those who think that it is the fault of the friends of the league—"Spare Thou those who confess their faults"—that so many people in America should fail 11 years after its organization to understand that the League of Nations is not a cunningly devised trap in which to catch our feeble Nation, but that it is simply an organization in which each member is pledged to every other, and all to each, to meet together once a year to consult about the ways and means of preventing impending wars, and for settling in early stages disputes which may lead to war. It has no army, it has no navy, no treasury, no fortress or gun, no soldier or ship—its sole reliance for promoting peace in the world is upon those processes which civilization has slowly developed through the centuries and found sufficient for the settlement of private disputes, and which it is believed if fairly applied, would serve to settle international disputes without war. These agencies are, to be sure, conference and conciliation, arbitration and the impartial decisions of courts. Why should America be afraid?

But this failure of the League of Nations which we have been imagining will never come. This our generation so penetratingly characterized by the British Prime Minister as "the convinced generation"—convinced by the horrors and destruction of the last war that another would destroy our social order certainly, and probably our civilization—will never let it die, and the achievements of the first decade of the league give confident promise that by the time this generation shall have passed away those that follow will be equally convinced that this modern world can not possibly survive save through dependence upon its processes of conference and conciliation, of arbitration and of law. After 11 years of more intense and intelligent study and of more bitter and destructive criticism than the subject of organizing the world for permanent peace ever received before, no program other than that of the league has been suggested which has arrested the attention of the statesmanship of the world for a single day. Palpably we must accept the league or return to chaos. Having regard to the fearful and constantly increasing destructiveness of modern war, to doubt the permanence of the League of Nations is to doubt the moral government of this world, and there are those of us who are much too old to doubt that.

#### THE WORLD COURT OF JUSTICE

Ladies and gentlemen, when Charles W. Eliot was 90 years old, an age at which most men are thinking of the eternal mysteries which must so soon be solved by them, while visiting with his son, he exclaimed, "Sam, I do not seem to get interested in Heaven; I want to know what is to happen to the World Court." If that great man had lived to be 97 years old, his wish to see his country a member of this new agency of peace would still be ungratified. And if general report is to be believed, if he had lived to be 98 or perhaps 100 years old, still his hopes would not have been satisfied.

Although as a people we are often boastful of our strength and prowess, there are those of us who sometimes wonder if at heart we are really a proud, brave people—proud and brave I mean with that moral courage so necessary if we are to go forward to that leadership in the world, to that high destiny to which God and nature are so certainly calling us.

The manner in which the legislative branch of the treaty-making power of our Government has dealt for now eight years with the urgent recommendations of three Presidents of the United States, that we participate in the Permanent Court of International Justice, is evidence of a timidity wholly unworthy of one of the most powerful nations in the world.

Fear that by some quirk or quillet of the law we might be held an unwilling member of the League of Nations if we should join the court of justice; fear that the other nations will impose upon us more than a fair share of the trifling costs of the court—oh, paltry fear—and fear that the court might stealthily steal away its independence from the most powerful and most favorably situated nation of the world, under cover of merely advisory opinions, does not show us to the world, or even to ourselves in candid moments, as that intrepid people which we like to think ourselves when we are dealing with a problem of utmost significance to our country and to mankind.

Fifty-one other nations, great and small, powerful and weak, have not hesitated to join this court of justice. Britain and France, Germany and Japan, brave little Switzerland and braver little Belgium, the bold norsemen of Sweden and Norway, and 13 nations to the south of us in America have all joined in this court of justice without condition or reservation of any character—only our powerful Nation and Russia hold themselves aloof. And this notwithstanding that the cold, disagreeable fact stares us in the face that if there is any real danger in participating in this court, ours is the Nation, we are the people who should accept that risk, for the very sound reason that our Presidents for a generation—Roosevelt, Taft, and Wilson—at every opportunity urged the other nations to join us in organizing just such a court as the existing one is, for the reason, as we pressed upon them and argued with them, it would constitute an important step toward organizing the world for permanent peace. I say just such a court as the existing one is, and I say it upon the authority of three other Presidents—Harding, whose voice in this grave matter was the voice of the present Chief Justice of the United States, Coolidge, and Hoover.

If now after three Presidents of the United States have thus urged the other nations for many years to join us in organizing just such a court as, three other Presidents agree, the existing

one is, we refuse to participate in it, what must they think of us? Obviously, they must, the world must and will, conclude that for some reason, it does not matter much for what reason, we have been insincere, perfidious, and false in urging the creation of a court in which we refuse to share. If such a course of action by our statesmen so long continued does not create a moral obligation of the most impressive character on our part to participate in the court, I do not know how a moral obligation can possibly be created by conduct. Having regard to this long-continued course of action, speaking with moderation, it must be said in the incisive phrase of our Declaration of Independence, that "a decent regard for the opinions of mankind" requires that we shall participate in this court and aid in the support, development, and improvement of it.

There can not be any doubt that the American people appreciate in the fullest measure the moral obligation which thus rests upon them to participate in this new agency of peace, and recognizing that every consideration, both of national interest and of national honor, requires that we shall do all in our power to sustain the court, they are eager to accept whatever responsibility may be involved in our participating in it.

Every consideration of national interest calls for such action, because a nation responsible for the government of the Philippine Islands, for the protection of the Panama Canal, for the protection of thousands of miles of coast line, for the protection of our commerce on every sea, and, above all, for the carrying forward of the peculiarly American doctrine of the "open door," is sure to have many disputes with other nations, and common prudence requires that we should seek the best possible, the wisest tribunal for the settling of them, and there can be no doubt at all that this court is the most competent, independent, and impartial institution which has ever been devised for decision of such questions as come within the scope of its jurisdiction.

Clearly also every consideration of national honor calls upon us to unite with the other nations in supporting, developing, and improving this court which our Government and we as a people urged upon the other nations for a whole generation.

It is extremely fortunate that the question whether or not the United States shall participate in the World Court of Justice has not become involved in partisan politics, so that it has been discussed and may be decided free from the misrepresentation and misunderstanding which that always implies.

It is the result of my observation, which has been very extensive for now eight years, that it must be confessed that a comparatively small percentage of the huge population of our country has a clear understanding of precisely what the organization of the World Court is, what it is doing, and what it aims to accomplish. Probably the percentage is not larger than that of our citizens who have like knowledge concerning the Supreme Court of the United States. But it is certain that a very great majority of our people understand perfectly two facts with respect to this World Court which they regard as conclusive in its favor. The first of these is that if we join the court on the terms now proposed we shall not be under any obligation whatever—not any more obligation than we are to-day—to submit any difference with any other nation to the court for decision. Also the entire country knows that we should have a perfect legal and moral right to withdraw from the court at any time. With these two plain conditions fully understood, our people are perfectly willing, for the rest, to accept the leadership in this important matter of experienced and trusted lawyers and statesmen. There can not be any doubt that the rank and file of the Republican Party is eager to follow in this matter the leadership of such men as Chief Justice Hughes, of Mr. Root, and of President Hoover. Likewise there can not be any doubt that the masses of the Democratic Party are just as eager to follow with respect to the court the leadership of such men as former Gov. James M. Cox, of John W. Davis, of Newton D. Baker, and of Gov. Franklin D. Roosevelt. It is clear beyond controversy that a very great majority of our people, regardless of party preferences, are not only anxious to have our Government participate in the court on the terms now proposed by President Hoover, but that they are impatient and ashamed of our eight years' delay in accepting it.

Of the five conditions attached by the Senate to its approval of the plan for our joining the court proposed by President Harding, four were accepted by the other nations without qualifications or debate, and the only difference remaining concerns the reservation as to advisory opinions. It is interesting to recall that when Secretary Hughes wrote the reservations, which he thought sufficient to protect our country, he never referred to these advisory opinions as a source even of possible danger to us. And I wish to say that it would be uncandid on my part to conclude this reference to advisory opinions without saying with the fullest emphasis possible that in my judgment it is a pure bugbear, conjured up by a little group to serve as a basis for one more appeal to the fears—to the fears—of much the most powerful nation in the world. For almost nine years now these few men—when they stood up to be counted there were only 17 of them—have been constantly appealing to our fears, never to our courage, never to our sense of duty, never to our history, and never to that national honor which is so irrevocably pledged to the support of this court of justice by a full generation of our Presidents and statesmen.

If the other nations should attempt through advisory opinions or any of the other processes of the World Court of Justice to impose upon our unsophisticated and feeble Nation, or if the court through weakness or design should fail to be the wise and just tribunal which it is now believed to be, we should have the perfect moral and legal right to withdraw to our isolation again



and to place our future trust in armies and navies and the processes of war, as we are doing now.

Likewise, if as time passes the other nations should discover a purpose on the part of our Government unfairly to use its power of veto on the right to ask for advisory opinions they would have a perfect remedy against such injustice and wrong in the right to withdraw their consent to the exercise of such power through association with us in the court.

Thus in this mutually conceded right to withdraw from the court is to be found the best possible assurance of candid and fair treatment each of the other, and the perfect protection of each against all of the evils, imaginary or real, which some men seem to feel are lurking in this power of the court to render advisory opinions.

The unprecedented and long-continued demand throughout our country that we participate in the court, should inspire both the President and all peace-loving Senators to continue, to redouble, their efforts to promote our adherence to it.

To abandon all effort and cease under present conditions for another year to strive for adherence to the court, which we so urged other nations to create, would not only cause our Government to be further misunderstood throughout the world, but it would be betrayal—betrayal of the cause of world peace in the land which above all others should be the land of its friends.

Ladies and gentlemen, you all remember how during the last two years of the World War, as the young men from all the free nations went forward to the trenches, from which so many millions of them never returned, they declared and we promised that that war should end all wars, and that such a calamity should never return to desolate the earth. If ever a government, if ever a people, was pledged in the sight of God and man to do all in its power—to do all and to risk all—to prevent the coming of another World War, ours is that government, we are that people.

Yet now when 55 other nations are trying to redeem that promise made to the youth of the world, our great Republic holds aloof, timidly balancing the possible responsibilities and dangers of sharing in the greatest effort of all time to secure permanent peace for the world, over against the certainty of a broken faith pledged to the living and the dead, and the equal certainty of a coming unprecedented calamity to the world.

This promise can not be redeemed; permanent peace can not be obtained by prayer; if prayer could have done it war would have been banished from the earth long, long ago. Neither can the great end be accomplished by carrying banners declaring "There shall be no more war," nor by passing resolutions in favor of the outlawing of war. The way, the only way, of achieving the great result is by setting up some permanent political institutions, comprehensive enough, powerful enough, and moral enough to substitute reason and discussion, justice, and law, which are civilization's ways of settling disputes for war, which is the savage way. There is no other way—to this conclusion through infinite sorrow and death and blood and tears mankind has come at last.

#### PHILIPPINE INDEPENDENCE

Mr. HAWES. Mr. President, I ask permission to insert in the Record a brilliant oration by a young Filipino on the subject of Philippine independence.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

#### THAT AMERICA MAY KNOW

(By Mauro Baradi—First prize-winning oration in the tenth annual oratorical contest of the Filipino Club of Washington, D. C., held on December 7, 1930)

Men desire enlightenment. Nations welcome progress. There was a time in the history of the world when mountains and seas were looked upon as impassable obstacles. They were hindrances between peoples and countries. It is within the memory of the living that the vast Pacific was an ocean barrier to the eastern and western world.

#### DEWEY AT MANILA BAY

Over 30 years ago, America and the Philippines were unknown to one another. However, early one morning in May, 1898, the news was flashed over the wires to the people of the United States that Admiral Dewey and his fleet achieved in Philippine waters a naval victory unprecedented. It was part of America's plan to crush the Castilian lion in that memorable war with Spain. With a suddenness that was unexpected, the prestige and power of America were extended beyond the seas and the Pacific was no longer the dividing gap that it had been for centuries between the East and the West.

#### AMERICA AND THE PHILIPPINES MEET

Thus America and the Philippines were introduced to one another not through peace but through war. But the meeting of peoples does not occur best at the point of the sword. Doubt, suspicion, misunderstanding, and hatred—these are the inevitable results of war. The Filipinos were presented to the United States in a most unpleasant light by sensational news published in glaring headlines. It also suited the purpose of Spain to depict America and her people not at their best but at their worst. The situation was aggravated when imperialism was the main issue in American politics in the campaign which soon followed. All these created unfavorable impressions.

#### FACTORS OF PEACE AND GOOD WILL

The age of discovery and conquest, the improved methods of transportation and communication, and the period of modern invention have served to make this world smaller and better united. They have minimized suspicion and distrust; they have brought about better knowledge and fellowship; they have ushered in a new era of peace and good will not only between the United States and the Philippines but among the different peoples and countries of the globe.

#### INSIDIOUS PROPAGANDA

But in war or in peace, factors of disruption there are, which are busily at work. In American-Philippine relations there have been organizations and individuals whose labors proved inimical to proper understanding. Sensational articles which have emphasized the unusual, the unique, and the bizarre have contributed to this end. Superficial pamphleteers who have helped spread misinformation have likewise added their quota to the confusion. Prejudiced writers with their publications, which were once biased and misleading, completed the army of the forces of misrepresentation.

This has been going on so long that there is need of patience and fortitude to overcome their destructive designs. Time is an essential element to real understanding. For a true conception of conditions on both sides of the waters, a dispassionate study and an unprejudiced mind are necessary.

#### FACTS ABOUT THE PHILIPPINES

The Filipinos are desirous, nay, anxious to know the conditions obtaining in the United States. The American people should likewise welcome facts and correct information regarding the Philippines.

America is dealing with a country in the Tropics having an aggregate area of about 115,000 square miles. It is larger than the total combined area of Belgium, Denmark, Holland, Portugal, and Switzerland; an archipelago whose climate is favorable to agriculture and other industries; where the days are agreeable and pleasant, and the nights cool and refreshing. The fertility of the soil is unexcelled; the plains and valleys yield abundantly rice, corn, tobacco, hemp, coconut, sugar, and other products for which the Tropics are noted. Beneath the hills and mountains are vast stores of gold, silver, copper, zinc, iron, gas, sulphur, coal, and asbestos awaiting the touch of enterprising men and companies. The falls and the streams are sources of power, heat, and light; the rivers and lakes are teeming with fish, and the forests not only yield excellent timber and help retain water in the soil but lend beauty to our landscape. Agriculture is the chief industry of the islands. This, together with other industries, are great assets in Philippine economic life.

Commercially, the islands have been steadily improving. In 1928 Philippine foreign trade amounted to \$289,711,444, as compared with \$271,425,557 for 1927. The exports in 1928 reached the sum of \$155,054,546, while the imports amounted to \$134,645,898, leaving a balance of trade in our favor. It is, therefore, evident that the Philippines, besides being blessed with rich natural resources, is also capable of supporting not only the 13,000,000 people who inhabit it to-day, but a population of fifty to sixty millions.

Boundless and unlimited though the natural resources of the islands are, the people constitute the country's richest asset. America is dealing with a people Malayan in origin, the inheritors of an oriental culture, enriched by European and Anglo-Saxon civilization. They have a cultural background the history of which dates back to the distant past. Their proverbial passion for education is well known. English which is the basis of instruction in the public schools is spoken in every town and hamlet of the archipelago. The excellent system of public schools is a credit to Americans and Filipinos alike.

Our percentage of literacy can be favorably compared with most of the independent countries of the world. In fact, the proportion of those who can read and write in the Philippines is higher than that of any of the following countries: Albania, Argentina, Bolivia, Brazil, Bulgaria, Ceylon, Chile, China, Colombia, Costa Rica, Cuba, Greece, Guatemala, Guiana, Haiti, Honduras, India, Korea, Lithuania, Malay States, Mexico, Nicaragua, Palestine, Panama, Paraguay, Persia, Peru, Porto Rico, Portugal, Russia, Salvador, Siam, Spain, Syria, Turkey, Uruguay, Venezuela, and various countries of Africa and Malaysia.

America is dealing with a people who are the only Christian nation in the Far East; a people with a common history, a common destiny, and who, according to the late Chief Justice Taft and others, "are homogeneous" and possessed of "racial solidarity."

#### FILIPINOS READY FOR INDEPENDENCE

The question is often asked: Are the Filipinos ready to maintain a stable self-government? Let their record, past and present, speak. The Philippine government since the establishment of civil government in 1900 has been self-supporting. America does not incur any expenses whatsoever, except those in connection with the United States Army in the islands.

In 1920 President Wilson, in his message to Congress, said: "Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and have thus fulfilled the conditions set by Congress, as precedent to the consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled it is now our liberty and our duty to keep our promise to



the people of those islands by granting them the independence which they so honorably covet."

America, furthermore, is dealing with a people passionately consecrated to their national emancipation. The resistance offered by Filipinos to Magellan at Mactan in 1521 was a manifestation of our people's intolerance of foreign domination; the series of revolutions against Spain resulting in the death of countless heroes and martyrs was a demonstration of our undying love for freedom; the Filipino people's continuous fight for independence in America, in the realm of peace, is a reaffirmation of our desire to accomplish our coveted objective. The independence missions to the United States, the political parties in the Philippines, the various commercial and labor organizations, business men, members of different professions, the youth of the land, patriotic and fraternal societies, in fact, all elements of our people are for the national emancipation of their country. They know what freedom means; they have weighed the consequences that may arise after independence is granted; they are ready and willing to face the problems confronting a sovereign Philippines.

#### PRESENT SITUATION ANOMALOUS AND UNCERTAIN

What of the present? It is anomalous and uncertain. The Filipinos have no free country they can call their own. The laws of the United States prevent them from becoming citizens of America. What then shall the Filipinos do? To force their children to owe eternal allegiance to the Stars and Stripes may mean disloyalty to the traditions of our people; to teach them undivided respect and veneration for the Filipino flag may mean treason to the Government and people of America. Then, too, the Filipinos are denied the power to legislate with reference to their public domain, timber, mining, tariff, immigration, and coinage. They know not whither they are tending. We appeal to America to remove this anomaly, for as the recent majority report of the Senate Committee on Territories and Insular Affairs well says:

"Every witness who appeared at the hearings, whether he was an official of the Federal or the insular government, or a private person with admitted economic interests at stake, agreed that a definite policy toward the Philippines would be both necessary and desirable as a means of curing the present uncertainty."

"The United States owes a solemn duty to the Philippine people—the duty of an honest declaration of our future intent. If we have decided to retain these islands under some form of colonial government, we should be frank enough to proclaim it. We should not further encourage national aspirations to ultimate independence on the part of the Philippine people if we are ourselves opposed to their independence."

"If the delay of independence for 30 years is for the purpose of defeating independence, we should say so frankly."

#### WHAT OF THE FUTURE?

What shall be the future of the Philippines? That is wholly within the power and the authority of America. The future of 13,000,000 people depends upon America's answer to our just petitions for freedom and independence. We have been made to believe that America's fundamental goal in her Philippine policy as expressed by Congress and Chief Executives of this Republic is the independence of our country; such is also our supreme desire.

If America really wants to promote the welfare of the Filipinos, she must remove our state of dependency, which is the great impediment to the people's national self-expression. The present situation is unwholesome. It is fraught with possibilities that may prove irksome, tending to plunge a patient and peaceful people into a state of despair and gloom. Nothing can be gained by delaying action.

The recent attempts to levy duty or place limitation upon Philippine products coming to the United States while American goods of every kind and description enter the Philippines free of duty and without limit is one reason for the necessity of a definite solution of American-Philippine relations. The proposed extension of the United States coastwise shipping laws, which if carried out would cripple Philippine shipping, is another instance urging the prompt removal of the present uncertainty. The exclusion of Filipinos from entering the borders of the United States while the American flag still waves over the Philippines is a more delicate matter which involves our people as a race. It is daily becoming more and more agitated and is likely to embitter pleasant and harmonious relations.

The basic solution to all these problems lies in an early action of the United States through the fulfillment of her sacred promise. When America will thus act permanently to settle the Philippine question, she will be better loved and admired not only in the Philippines, not only in the Orient, but throughout the entire world.

#### THE FILIPINOS' FAITH IN AMERICA

The faith and confidence of the Filipino people in America's purposes continues. We are anxious that America may know that the Philippines is prepared for an independent existence partly as a result of her tutelage. We desire the people of the United States to have an accurate picture of conditions, that America may know, and knowing, act, act in accordance with her greatest traditions, act in consonance with our noblest aspirations.

What will America do? We believe America will do what is just, fair, and right. We believe she can not be deaf to the earnest petitions of a liberty-loving people across the sea. We entertain the hope that, at an early date, she will take decisive action which will reflect glory and honor to her name, and add new luster to her national emblem.

#### AMERICA'S SOLEMN PLEDGE

America, we repeat, promised to set us free; that is the ideal which our people prize highly; that is the cause which we consider dearer than life and property. The Government and people of the United States have pledged to make the Philippines an independent republic. "What America promised in honor, she can not erase in dishonor."

#### EXECUTIVE MESSAGE REFERRED

A message from the President of the United States making sundry post-office nominations was referred to the Committee on Post Offices and Post Roads.

#### WAR DEPARTMENT APPROPRIATIONS

Mr. REED. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the bill (H. R. 15593) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania?

Mr. BLAINE. Mr. President, reserving the right to object, I desire to inform the Senator from Pennsylvania that I announced that I would object to laying aside temporarily any unfinished business. I did not adhere to that declaration when the question of relief for the drought-stricken area was under consideration. I felt that that was a subject which ought to have immediate attention.

But at this time, Mr. President, there is no such emergency before the Senate. The bill which has been made the unfinished business ought never to have been presented to the Senate as having preference over other important legislation. This is no occasion to waste days and days of the time of the Senate over a subject which involves no emergency whatever, which involves no necessity whatever, even from the standpoint of those who are zealously in favor of the enforcement of the eighteenth amendment.

I do not propose to permit bills of this sort to become a buffer for the postponement of the consideration of other legislation. If we are to take up the War Department appropriation bill, it ought to be taken up by a vote of the Senate and thus we will displace the present unfinished business. Therefore, Mr. President, I object to the unanimous-consent request.

Mr. REED. I move that the Senate proceed to the consideration of the bill (H. R. 15593) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes.

Mr. HEFLIN. Mr. President, will the Senator permit me to submit a unanimous-consent request to vote on the unfinished business, and that we vote on the pending question not later than 15 minutes before 1 o'clock to-day?

Mr. REED. I think we had better go ahead with the appropriation bill.

The VICE PRESIDENT. The question is on the motion of the Senator from Pennsylvania.

Mr. COPELAND. Mr. President, it is a debatable question, is it not?

The VICE PRESIDENT. It is debatable.

Mr. COPELAND. Mr. President, I hope the appropriation bill may be taken up. I wish to invite the attention of my friend the Senator from Wisconsin [Mr. BLAINE] to the fact that the bill involves a great deal of labor and employment. For instance, in the bill is one item which proposes to give work to 700 men at West Point between now and the 1st of May. That is only typical of several other items in the bill.

Mr. JONES. Mr. President, I think the Senator is mistaken about the West Point item. It is carried in the deficiency appropriation bill.

Mr. COPELAND. That is true; but I presume the same statement would apply to other items as well as that particular one.

Mr. JONES. Oh, yes.

Mr. COPELAND. It was not for that purpose I rose. I ask the attention of the chairman of the Committee on Public Buildings and Grounds, the Senator from New Hamp-



shire [Mr. KEYES]. I am very much concerned over the three bills which are pending before his committee, and before I make further observations may I ask the Senator from New Hampshire what is happening to those bills which are so important in the matter of their passage and in the matter of their assistance in overcoming the industrial depression in the country?

Mr. KEYES. Mr. President, the Senator from New York propounded the same question two or three days ago.

Mr. COPELAND. Yes; a week ago.

Mr. KEYES. In regard to the three bills, I have a report from the Treasury Department that one of them is not at all necessary; that there is sufficient law now to cover the matter. As to the other two bills, I have called a meeting twice of the committee and have been unable to get the members together. As the Senator realizes, a number of the members of that committee are also members of the Appropriations Committee and the Finance Committee. Those committees are extremely busy just now. I happen to be a member of those committees myself.

In view of the general situation and my inability to get the committee together, the committee has as yet taken no action. I am doing everything I can and expect to get action by the committee in a very short time.

Mr. COPELAND. I thank the Senator for what he has said. I wish to call the attention of the Senate to a speech made in New York City yesterday at Columbia University by Mr. William Green, president of the American Federation of Labor. He points out that the Government has utterly failed to comprehend the seriousness of the unemployment situation. In his address he said that at the present moment there are between 5,000,000 and 6,000,000 unemployed in the United States, and then said:

Over an extended period of time—for about a year and a half—the number has increased until now, in the middle of the second winter of unemployment, we find the number of unemployed in the United States has reached its highest point.

Now, Mr. President, in further reply to the Senator from New Hampshire [Mr. KEYES], let me say that when Colonel Woods was before the Appropriations Committee he urged as being absolutely essential to the progress of the building program that these bills be passed, and Colonel Wetmore, the chief architect, made the same statement. I am not satisfied, Mr. President, to sit here day after day and week after week and have the charge made that the Congress is failing to do its duty. It is failing to do its duty. It would not take the committee an hour to pass upon these bills, and they ought to be passed upon and brought before the Senate for action. One of these bills was introduced on the 2d day of December, almost two months ago, and all of them were introduced before Christmas. We ought to have early action on them, because otherwise all the emergency appropriations which we have made for public buildings can not be used. It is a mere gesture; it does not mean anything to the country; it does not mean anything in the way of relief of unemployment.

I know how busy the Senators who are members of this committee are, and, of course, I do not seek to criticize them, but I beg of them to take the action necessary to bring those bills before us in order that the building program may go forward.

Mr. ROBINSON of Arkansas. Mr. President, I shall support the motion to proceed to the consideration of the military appropriation bill. It is apparent the so-called Howell District of Columbia prohibition enforcement bill will require a considerable further period for its final disposition. The Senate has been served with notice that a large number of amendments are to be offered, and if not greater speed is made in acting upon them than has been made with respect to the pending amendment the end of the session will soon be approaching, with the bills the steering committee has very strangely given preferential positions still pending.

I think that as a general rule relief measures and appropriation bills should be given priority.

Mr. RANSDELL. Mr. President, in connection with the consideration of the War Department appropriation bill, I ask to have printed in the Record a very interesting

article on the subject of war debts by the senior Senator from Utah [Mr. Smoot] published in the Washington Herald.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Washington Herald, Sunday, December 28, 1930]

UNITED STATES MUST NOT CANCEL WAR DEBTS, SAYS SMOOT—AMERICAN PEOPLE ALREADY PAYING UNPROPORTIONATE SHARE OF CONFLICT'S COST—UNITED STATES PAID NEARLY EIGHT TIMES AS MUCH ON PRINCIPAL AND OVER FOUR TIMES AS MUCH INTEREST ON ITS WAR DEBT AS IT RECEIVED FROM EUROPE, SAYS SENATOR

By REED SMOOT, United States Senator from Utah and chairman of the Senate Finance Committee

I see no occasion for any move to bring about cancellation of war debts owed to the United States by foreign governments. Talk about wiping out these obligations is both unwise and unfortunate at this time.

The American people are already paying an unproportionate share of the cost of the war, and they should not be burdened with taxes to pay debts that are actually owed by other countries.

Foreign governments owe the United States a total of \$11,641,508,460 as of November 15, 1930. During the fiscal year of 1930 the Treasury received payments on these obligations amounting to \$239,565,807.

Of this total, \$97,634,287 was applied to reduction of principals and \$141,931,519 represented interest. This is slightly in excess of the payments made during the fiscal year 1929, but it amounts to a very small fraction of the debt foreign nations owe to the United States.

While Europe was paying that \$239,565,807 on account of war debts to this country, American taxpayers furnished \$1,397,020,431 for payment on our own public debt. Interest during that period amounted to \$659,347,613 and the remainder was used to reduce the principal.

BALANCE—UNITED STATES MUST RAISE FOUR BILLION TO CLEAR DEBT

This means that the United States paid nearly eight times as much on the principal of its war debt as it received from Europe on that account, and more than four times as much interest as it received.

This comparison is significant because of the close relationship of our public debt owed to us by these foreign governments. Funds raised by our Government were lent to foreign nations to prosecute the war. Approximately 70 per cent of the American debt remaining to be paid represents the debts of foreign governments to us.

Assuming that these governments will pay their debts as at present funded, taxpayers of this country need only to make up a balance of \$4,543,799,839 to entirely liquidate the debts of the United States. Should European war debts be canceled, the entire burden of paying the \$16,185,308,299 debt would fall upon American taxpayers.

The United States Government has been lenient with the debtor nations of Europe. At the time funding agreements were entered into most of the debts were drastically reduced. The settlement with France was at about 50 cents on the dollar, and Italy is paying only 28 cents for every dollar originally owed. Our Government can not be justly accused of driving a sharp bargain in the face of these facts.

Settlements were made according to the ability of each government to pay. In making the funding agreements we took into consideration the debtor nations' resources, their national income, their foreign commerce, and every other factor which enters into a country's solvency. In no case was a government asked to pay more than it is able to pay without jeopardizing its financial stability.

EASY TERMS—UNITED STATES ALSO ALLOWS DEBTORS 62 YEARS TO PAY

This method of funding reduced interest charges in some cases to extremely low figures. Belgium was allowed an approximate interest rate of 1.790 per cent; France, 1.640 per cent; Italy, 0.405 per cent; and even Great Britain, the strongest of the debtor nations, pays only 3.306 per cent.

Besides giving these Governments such easy terms, the United States allows them 62 years in which to pay. No more liberal terms could be asked for.

Cancellation of these debts would impose a great part of the burden of liquidating the war upon taxpayers of the United States. Some one must pay the debt. Unless the allied nations continue to draw reparations from Germany and to pay their obligations to America, the cost of the world's greatest conflict will fall upon the people who were least responsible for it.

WAR'S COST TO THE UNITED STATES—IT WAS \$37,873,908,499

The Treasury places the net cost of the World War to the United States at \$37,873,908,499. There is no reason why this cost should be augmented by assuming responsibility for Europe's debts. Taxpayers of this country have provided nearly \$1,000,000,000 per year for payment on the national debt, in addition to interest, which, when the debt stood at its highest point, amounted to more than \$1,000,000,000 annually.

No other country in the world has made a showing that approaches this. The Government has made this tremendous effort with a view to reducing interest charges, and not for the purpose of relieving foreign nations of their obligations.



The settlement with Great Britain calls for annual average payments equivalent to 4.6 per cent of the total British budget expenditures. Belgium devotes only 3.5 per cent of its budget expenditures for this purpose, and Italy, 5.17 per cent. Payments on the principal and interest of the American national debt took 33.4 per cent of our Budget last year.

How can any one ask the United States to continue this heavy drain upon its taxpayers indefinitely for the sole benefit of taxpayers in Europe? This Government asked and received no spoils from the war. It spent billions of dollars and lost thousands of lives for the sake of reestablishing peace. Now, that peace has been restored it is manifestly unfair to expect America to shoulder the financial burdens incurred by other nations interested in the same cause.

RESISTANCE—"I PROPOSE TO STAND AGAINST CANCELLATION"

I regret to find that some Americans who do not feel the pinch of taxation on meager incomes are advocating a transfer of Europe's debts to our own people. I propose to resist their efforts and to stand firmly against any further cancellation of war debts.

Mr. FRAZIER. Mr. President, the appropriation bill for the War Department is rather a long and complicated measure, and a number of amendments have been proposed. It was reported to the Senate only a short time ago, and we have been very busy. I am satisfied that very few of the Members outside of the committee have had a chance to study the measure at all. It seems to me it would be much better if the pending unfinished business could be completed, and give us a chance to study the report on the bill.

Personally, I desire to propose an amendment or two; and I think there are some valid objections to be made to some provisions of the bill. It carries an increase over last year's appropriation; and last year's was the highest appropriation ever made in peace times in the history of the United States for the War Department. This is an increase over last year, in the face of much harder times than we had last year, in the face of a lower amount of money by far in the United States Treasury than we had last year, in the face of the fact that taxes are much harder to meet than they were a year ago. Yet more money is asked for from the taxpayers of this Nation for this bill than has ever been asked in peace times for a War Department bill in the history of the United States.

Mr. HOWELL. Mr. President, I consented not to object if a request was made to take up the appropriation bill; but objection has been made, and now a motion has been made to take up this bill, which means the displacement of the unfinished business. That is exactly what is desired to be done—to displace the unfinished business.

There are only six more appropriation bills. There is ample time to take up these appropriation bills. I am assured that the Army bill will not take more than a day, and it is not probable that the other appropriation bills will take longer than that. Therefore, inasmuch as we have taken up this important measure, as the President has recommended such legislation, as the Attorney General is asking for such legislation, as such legislation is necessary, it seems to me that we ought to proceed with the unfinished business; and it would seem that this motion ought not to prevail.

Mr. BARKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. HOWELL. I yield.

Mr. BARKLEY. When the prohibition bill was made a part of the program of the steering committee and brought in the other day, it was stated by the Republican leader that the reason for proposing to take up the bill at that time was because there was nothing else for the Senate to do; and the rather distinct impression was left on me that this bill was to be considered at such times as appropriation bills were not ready for action.

I am for the Senator's bill, and expect to vote for it; but I also should like to see the appropriation bills gotten out of the way. I am wondering, therefore, whether we would not make time in the long run by allowing this bill to be passed, and then resuming the consideration of the Senator's bill. I assume it was on that basis that the Senator

originally agreed to let his bill be set aside temporarily for the consideration of the military appropriation bill.

Mr. HOWELL. Mr. President, in accord with that spirit I stated that I would not object if the unfinished business were temporarily laid aside; but objection has been made to such action by those who are opposed to the measure, hoping to send it back to the calendar, leaving it right where it was at the beginning.

Mr. BARKLEY. I do not understand that the motion to lay aside the bill temporarily to take up an appropriation bill puts it back on the calendar and puts it in its original status.

Mr. HOWELL. I understand that it does. I inquired as to that, and I am informed that that course would send it right back to the calendar, and it would be there among all the other bills on the calendar.

Mr. HARRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Georgia?

Mr. HOWELL. I yield.

Mr. HARRIS. I hope the Senator from Nebraska will agree to the motion made by the Senator from Pennsylvania.

The War Department bill will give employment to thousands of people. The Senator from Nebraska has enough votes in the Senate to get his bill up and pass it at any time, and he will get my vote for that purpose, even if it is necessary to stay here at night. I sincerely hope, however, that he will not interfere with the War Department appropriation bill coming up now. Most of the items for construction are made available immediately, and many of them will give employment to people within a week from this time.

For that reason, I hope the Senator will not object. This bill will not delay the Howell bill very long. We can finish the War Department bill within a few hours, and by doing so we shall be able to give employment to thousands of unemployed who are anxious and ready to begin work so as to make a living to support their families.

Mr. HOWELL. Mr. President, I will state again to the Senator from Georgia that I had no intention of objecting to unanimous consent to lay aside this bill temporarily; but those who are opposed to the bill object, and insist that it shall be sent back to the calendar. Under the circumstances, I can not but protest. It is simply a stratagem to defeat this bill.

Mr. BARKLEY. Mr. President, if the Senator will yield further, I am not in sympathy with any movement that permanently displaces this bill or puts it back on the calendar in the same status that it occupied prior to the time we took it up; but in line with the Senator's suggestion and his original agreement, I wish to read the last paragraph of the letter written by the steering committee outlining the program including this bill:

It should be understood that all of these suggestions are subject to appropriation bills, conference reports, and executive business.

Mr. HOWELL. But that has been my attitude all along.

Mr. BARKLEY. It is not necessary, as I understand, to displace this bill in order to take up the appropriation bill. If the motion contemplates that, the motion is subject to amendment.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. ROBINSON of Arkansas. There is not any doubt in my mind but that the Senator from Nebraska is correct. If the motion of the Senator from Pennsylvania [Mr. REED] prevails, the pending bill—the Howell prohibition bill for the District of Columbia—will be displaced, and in order to proceed to its consideration it will be necessary for the Senator or some one else again to move to take up the prohibition bill.

I respectfully suggest, however, notwithstanding the position taken by the Senator from Nebraska, that in view of the announcement that an indefinite number of amendments are to be offered to the prohibition bill, and in view



of the well-known fact that it was brought forward at the time it was brought forward on the specially favored program to constitute a buffer against legislation to the consideration of which some here might object, the only course to pursue is to proceed to the consideration of appropriation bills and relief measures when the opportunity arises, and then take up again the prohibition bill when the Senate chooses to do so.

Mr. BARKLEY. Mr. President, I should like to have the motion read, so that we may understand it.

The VICE PRESIDENT. The Secretary will state the motion.

The CHIEF CLERK. The Senator from Pennsylvania [Mr. REED] moves that the Senate proceed to the consideration of Order of Business No. 1410, House bill 15593, making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes.

Mr. BARKLEY. Mr. President, I desire to offer an amendment to that motion, that immediately upon the completion of the consideration of the military appropriation bill the unfinished business shall be again laid before the Senate.

The VICE PRESIDENT. The Chair is of the opinion that that motion is not in order.

Mr. BLACK. Mr. President, I desire to ask a question of the Senator from Nebraska, in charge of the bill which is the unfinished business.

Do I understand that the Senator from Nebraska is opposed to the motion to substitute the War Department appropriation bill for the Howell bill?

Mr. HOWELL. I am not opposed to taking up the appropriation bill if it does not displace the unfinished business; but the motion is now made in such a manner that if it is carried it will displace the prohibition bill as the unfinished business, and send it back to the calendar.

Mr. BLACK. Mr. President, I should like to say to the Senator that I am very anxious to get the appropriation bill up, for this reason:

I see no possibility of getting any legislation on Muscle Shoals unless it is attached to this appropriation bill. I think it should be attached to this appropriation bill. There is not the slightest question but that part of the Muscle Shoals measure which has been passed by the Senate can be placed on that bill and be perfectly in order, particularly that which directs that States, counties, and municipalities shall be given a preference in the purchase of power.

If we start a discussion on Muscle Shoals, I imagine it may take a week or more time to do that. It seems to me, therefore, that it would be wise for us to start on it as early as we can; and I know that the Senator agrees with me that we should have Muscle Shoals legislation.

I have an idea that if we put Muscle Shoals legislation on this particular bill a great deal of the hostility that has heretofore been successful in preventing Muscle Shoals legislation will be compelled to yield. Knowing that the Senator is interested in Muscle Shoals legislation, as I am, I should like to state to him that we want everybody to have a full and fair opportunity to debate every amendment which is offered with reference to Muscle Shoals. Therefore I suggest that the Senator withdraw his objection, so that we can proceed and, as soon as possible, start the discussion of the various amendments concerning Muscle Shoals legislation which may be offered to this bill. I call the Senator's attention to the fact that, unless I am mistaken, they are thoroughly in order, because the Senate has already passed a measure relating to those particular facts.

Mr. HOWELL. Mr. President, as reluctant as I am to accede to the request of the Senator from Alabama, because I feel that we are entitled to have this District prohibition bill considered to a finality, I give notice now that immediately upon the conclusion of the War Department appropriation bill I shall ask the Senate to make the District prohibition bill the unfinished business, and shall hope to have its approval.

Mr. FESS. Mr. President, I think the suggestion of the Senator from Nebraska is one upon which we ought to act.

I regret that we could not set the unfinished business aside temporarily by unanimous consent. It was understood, however, that unfinished business of this sort would have to give way to appropriation bills; and while I regret that the matter comes in this form, I think we ought to take up the military appropriation bill at this time.

Mr. TYDINGS. Mr. President, I am very glad the Senator from Nebraska has consented to the request of the Senator from Alabama. In order to apprise the Senate of some amendments which I desire to offer to the bill, I shall briefly read them at this time, so that the Senator from Nebraska may be considering them between now and the time when they come up for final consideration on the floor.

On page 2, line 9, after the word "station," strike out all down to and including the word "shall" on line 10.

In line 17, page 2, to strike out "\$100" and insert "\$20." In the same line to strike out "five" and insert "one." In line 18, to strike out "thirty" and insert "five."

On page 3, line 4, to strike out "15 days" and insert "30 days," and on the same line to strike out "three" and insert "six."

On page 3, line 7, to strike out the word "knowingly" and insert in lieu thereof the words "with personal knowledge."

On page 3, line 18, after the word "to," to insert the word "lawfully."

On page 3, line 22, after the word "information," to insert the word "lawfully."

On page 4, line 19, after the word "That," to insert the word "hereafter."

To strike out all of section 10, down to and including the word "laws" in line 14 on page 5.

On page 5, line 15, to strike out the word "Such," and commence the sentence with the word "warrants."

On page 5, line 23, after the word "is," to insert the words "known as."

On page 6, line 21, after the word "law," to insert the words "for sale or in quantity of more than 1 quart."

On page 7, line 1, after the word "of," to add the words "more than 1 quart of."

Then to strike out, commencing on page 10, line 14, all the remaining part of section 14 on that page, and commencing on line 4, page 11, to strike out all down to and including the word "thereto," on page 12, line 9.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Pennsylvania.

Mr. BLEASE. Mr. President, I ask permission to give notice, following the statement of the Senator from Maryland, of my intention to offer an amendment, to add at the end of the bill the following proviso:

That this act shall apply to all persons and all buildings alike, without exception.

The VICE PRESIDENT. The amendment will be printed.

Mr. NORRIS. Mr. President, I realize the force of the argument in favor of the motion of the Senator from Pennsylvania, and do not want to belittle it. I realize that these appropriation bills must be passed. But why deceive ourselves? Why are Senators who are in favor of the unfinished business, the prohibition bill for the District of Columbia, trying to induce my colleague to support the motion of the Senator from Pennsylvania? Is there anyone here blind to what must happen if that motion prevails? Why not realize fully just what it means, and be honest with ourselves?

This War Department appropriation bill is not the only appropriation bill. Other appropriation bills are on our desks ready to be taken up. My colleague is assured of the influence of very powerful and influential Senators, who state that if he will not object to taking up the appropriation bill, they will immediately assist him to get his bill forward again, and that we will go through to a finality.

Let us see whether that will happen. What is likely to happen? If the prohibition bill is laid aside for this appropriation bill, will it not be laid aside for every other appropriation bill? Will it not be laid aside for every conference report? So these Senators who are anxious to pass the appropriation bill at this session, if they will just think



a moment, will realize that if it is laid aside by this motion, it will be dead. Let us not deceive ourselves.

Suppose the motion prevails, as I presume it will, and we go on with the military appropriation bill and get through with it, and my colleague immediately, according to his notice, makes a motion to take up the prohibition bill, and these Senators who are so anxious to help him pass it all vote for the motion, and we immediately get it up. What happens then?

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield for a question?

Mr. NORRIS. Yes.

Mr. ROBINSON of Arkansas. Suppose the Senate kept the Howell prohibition bill before it constantly, and finally, within a few weeks of the end of the session, made some final disposition of it, passed it, and it was then sent to the "morgue"—

Mr. NORRIS. Where it would have to be sent, just where all the other bills have to go.

Mr. ROBINSON of Arkansas. Would there be any chance to resurrect it?

Mr. NORRIS. Probably not; and I am coming to that. I do not want to deceive myself about it. The importance of it would be that the Senate would have passed it. If it came up in the next session of Congress it would have that behind it, that it had already passed the Senate.

Mr. ROBINSON of Arkansas. But that being a new Congress, it would have to go through the same process again.

Mr. NORRIS. Yes; of course; but it is not at all likely that it would have to go through the tedious process it goes through now. It may be that if it is kept here as a buffer and not laid aside for anything it will not be passed by the 4th of March; I do not know. I want to lay the parliamentary situation before the Senate just as I think it is; and before I finish I want to draw some conclusions.

I am not finding fault with the making of this motion. It is a question whether it is not the right thing to do. But I do not want to be deceived by what is going to happen.

When I was diverted I had reached the point where I had said, suppose the motion prevails and we take up the appropriation bill; we finish it to-day or to-morrow, whenever it may be; and my colleague immediately makes a motion to take up the prohibition bill, that is carried, and that bill is laid before the Senate and consideration of it barely started. What happens?

Here is a State, Justice, Commerce, and Labor appropriation bill on our desks right now. It has been reported to the Senate and is on the calendar. Somebody in charge of that bill will move to take it up.

Mr. JONES. Mr. President, the Senator is mistaken in that. That bill will be reported to the Senate to-morrow, however.

Mr. NORRIS. I have one here on my desk which has been reported.

Mr. JONES. I think the Senator is mistaken. The Senate committee had it up this morning.

Mr. NORRIS. Perhaps I took up the wrong bill. Probably the one to which I referred has not been reported.

Mr. JONES. No; it will be reported to-morrow.

Mr. NORRIS. It will be reported to-morrow. It will probably be reported by the time we get through with the military affairs appropriation bill. So the program I am outlining will go right on.

Immediately, when my colleague gets the prohibition bill up, some one—perhaps the Senator from Washington or some other member of the Appropriations Committee in charge of the State Department appropriation bill—will move to take it up. Then the controversy comes up again, and Senators say to my colleagues, "That will be nothing. Just as soon as we get this appropriation bill through you make a motion to take your bill up, and we will give you our support and our votes." He does that again, they discuss the appropriation bill a couple of days, and that is passed on. Then my colleague again makes a motion to take up the prohibition bill, and the Senate, true to its promise, takes it up, has it before the Senate, just gets started on it, when

along comes another appropriation bill. This time probably it will be the independent offices bill. A motion will be made to take that up, the same argument prevails, the same rule is followed, it is taken up, the prohibition bill is displaced the third time under a promise that just as soon as we get through with that we will all help my colleague to get his bill up again.

We get through with the independent offices appropriation bill, and then my colleague moves to take up the prohibition bill. True to the promise, Senators come to my colleague's rescue and take up his bill, it is laid before the Senate, and he just gets fairly started when along comes the District of Columbia appropriation bill. Some one makes a motion to take that up, and we lay aside the prohibition bill for the fourth time, and as soon as we get through with the District of Columbia appropriation bill, which consumes a few more days, and they get that out of the way, he makes the motion again to take up the prohibition bill, and we all back him heroically, according to our promise and agreement, and get it up; he gets just barely started with it, when along comes the legislative appropriation bill. The prohibition bill will have been laid aside four times, and we lay it aside on another motion the fifth time and take up the legislative appropriation bill. That runs along a couple of days, until the latter part of next week, perhaps, when we get through with it, when again comes forward a motion to take up the prohibition bill. Again we all loyally put our shoulders to the wheel and get it up, and just get it up, when along comes the Navy Department appropriation bill.

A motion is made for the sixth time to lay the prohibition bill aside, the motion prevails, and we consider the naval appropriation bill for several days. That is disposed of, and then comes my colleague again and makes his motion to take up the prohibition bill. Again the loyal soldiers get behind him and we take it up; but he does not get started with an argument in favor of it before along comes the second deficiency appropriation bill. Another motion is made, and for the eighth time the prohibition bill is laid aside. By that time the 4th of March is staring us in the face. Before that time comes, a conference report on the agricultural appropriation bill will be brought up, the prohibition bill will be laid aside for the ninth time, and the conference report taken up and disposed of. Then we get behind my colleague again and take his bill up again, when along comes the conference report on the first deficiency appropriation bill. We lay the prohibition bill aside again, for the eleventh time.

Then the War Department appropriation bill conference report is brought up, then the conference report on the State, Justice, Commerce, and Labor appropriation bill, and before we get through we will have taken up the prohibition bill about twenty-five times and laid it aside the same number of times.

I am not complaining of that; perhaps it ought to be done. I am not finding fault with those who think it ought to be done; but we must not close our eyes to the fact that it means that we will not pass this prohibition bill at this session.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Nebraska yield to the Senator from Virginia?

Mr. NORRIS. In just a moment I will yield.

It means that it is a buffer, and in that connection I want to call attention to the maternity bill. Early in this session the senior Senator from Washington [Mr. JONES], backed up by a large majority of the Senate, was successful in having the maternity bill taken up. It was laid aside by unanimous consent from time to time and day to day and week to week until it looked as if we were never going to get anything done with it. After a while the Senator from Wisconsin [Mr. BLAINE], I think, the same Senator who has objected to laying aside the present unfinished business, objected to laying the maternity bill aside, and what happened? In less than a day it was passed. The end of using it as a buffer had come, and the Senate acted on it, and it has gone over to the "morgue," probably. I do not know that it will



be reported to the House of Representatives or passed over there, but certainly we can not expect the House of Representatives to pass Senate bills until we pass them. It may go there and lie on the Speaker's desk for 10 months, just as they kept the amendment to the Constitution aimed at getting rid of the lame-duck session.

Now I yield to the Senator from Virginia.

Mr. GLASS. I simply want to suggest to the Senator that with any degree of discernment at all the steering committee should have known that just the situation described by the Senator from Nebraska would arise. Why, then, continue the farce?

Mr. NORRIS. I do not want to continue it, and I do not care which horn of the dilemma we take; but let us take one or the other.

Mr. GLASS. I have heard Senator after Senator on both sides of the Chamber severely criticize the steering committee for presenting the Howell bill as a buffer, and yet when opportunity was offered on yesterday to refer it to the Committee on the Judiciary, with almost absolute knowledge that it is impossible to pass the bill and enact it into law at this session of Congress, many if not most of those Senators who bitterly criticized the steering committee for bringing the bill here and giving it precedence voted to continue the farce. I did not. I think my record on prohibition will compare favorably with that of any other Senator.

Mr. NORRIS. I think it will.

Mr. GLASS. But I am not going to exasperate the people against the policy of prohibition by proceeding with a farce like this and therefore I voted to refer the bill to the committee.

Mr. NORRIS. I think my record on prohibition will compare favorably with that of anyone, even that of the Senator from Virginia, and I voted the other way on that motion. I am going to vote the other way on the pending motion, although I realize if there is a roll call that it will probably be useless. But it is useless in any case. We are confronting a condition now similar to that which confronts us every two years. We are admonished that the 4th of March is about here, that soon we will have to work nights, that we will not dare make any speeches. If I do not sit down in less than three minutes, somebody will accuse me of filibustering now.

A Senator can not say anything or do anything but what somebody says it is a filibuster—and perhaps it is, because if we talk more than two minutes it may constitute a filibuster. Minutes are important and precious between now and the 4th of March. The machine which is in control of legislation knows it. So we may not and can not do anything. We are practically helpless because on the 4th of March every bill which is not enacted into law will die, and yet we stand here every two years and wear out our energies working day and night for things that we know can not become laws. We have to omit doing some things which everybody concedes we ought to do.

The Department of Justice, worked up to a high pitch about a bill which is on the Senate calendar, have sent their emissaries to me pleading to get the bill passed. I know that it is just like a lot of other bills. I would like to see it passed, but there are several others just as important. Somebody is opposed to this one or that one, and they take advantage of the situation, and I do not blame them. If a Senator is opposed to a bill at this stage of the short session, all he has to do is to make some appearance of a fight on it and it will be laid aside. Everybody lays down and we can not go on because we are running up against a stone wall and we all know it. It interferes with proper legislation. It interferes with proper appropriation bills.

If we gave the time that is necessary and that ought to be given to the consideration of appropriation bills which are still unpassed, we would consume in legitimate consideration all the time between now and the 4th of March. If anybody wants to consider any item in an appropriation bill that consumes any time, he is going to be the victim of a charge that he is filibustering and the effect of his work, however in good faith he may act, may be the same

as though he were actually filibustering. If we did not know that on the 4th day of March everything would end, so far as this session of Congress is concerned, this situation would not exist; there would not be any useless debate; there would not be anybody trying to kill time.

Mr. SHIPSTEAD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. NORRIS. I yield.

Mr. SHIPSTEAD. I had assumed for a long time that the four measures—one for prohibition in the District of Columbia, one for shorter hours of labor for postal employees, one for pensions for Civil War veterans, and one for Filipino independence—constituted the contribution of the Republican Party and the administration to the relief of world-wide depression. Does the Senator mean to say now that they are filibustering against their own remedy?

Mr. NORRIS. Oh, no; I have not charged anybody with filibustering. The truth is that under our system involving the short session of Congress it is an impossibility to do justice to what properly comes before us. Everyone knows that to be true, and yet the only way it seems to me for us to bring about a remedy is to let the special session come if it must come. I do not want a special session. I think it would be a greater personal catastrophe to me than to any other Member of the Senate. At the same time I realize that unless we stop lying down, unless we change our method of doing business, 100 years from now will find our successors in the same situation in which we now find ourselves. If we went on in a legitimate way and paid no attention to the 4th of March and transacted our business as best we could and the 4th of March came before we were through, necessitating a special session, then those who are opposing the amendment to the Constitution which would relieve that situation would soon quit. Let us give them a dose of their own medicine. They would not get their bills and other measures through. We could not get appropriation bills through, it is true; but unless we do something of that kind we will never, in my judgment, secure a remedy.

The Senate has passed a joint resolution submitting an amendment to the Constitution which would relieve the situation I have described, passed it almost unanimously, backed by practically the unanimous sentiment of the country. That measure went to the House of Representatives. The Speaker placed it on his table and it stayed there for more than 10 months. Everyone knows that is not the way to legislate. Everyone knows that is not the way for one House to treat the other where we have two Houses in the Congress. No matter what we may think about a proposed constitutional amendment or about a bill or a resolution or whatever it may be, it is not a fair way to do business. Then, because we must end our session at noon on the 4th day of March, because there can not be anything changed and everything must die at that time, we have to subject ourselves to all kinds of difficulties, all kinds of physical unpleasantness. We have to stay here late at night and come back early in the morning, and toward the end of the session we have even had to stay here all night.

On the one hand there is a clamor that the Committee on the Judiciary shall do some work that ought to be done, but the Senate meets these days at 11 o'clock in the morning. Everybody knows that means that the committees can not do any systematic work. If it were not for this stone wall that stares us in the face in the shape of final adjournment at noon on the 4th day of March, all this difficult situation would disappear. There would not be, in the first place, any filibustering. Legislation would have its fair and honest consideration. Jokers would not get into all kinds of legislation, and those in control of legislation representing the administration would not be able to dictate to the legislative branch just what bills should receive consideration and just what bills should not.

The PRESIDING OFFICER. The question is on the motion of the Senator from Pennsylvania.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 15593) making appropriations for



the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. REED. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REED. I ask that at the conclusion of the consideration of the bill the clerks be authorized to make any necessary corrections in the totals.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be read for action on the amendments of the committee.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, on page 2, line 9, after the name "Secretary of War," to strike out "\$271,907" and insert "\$272,927," so as to read:

**TITLE I—MILITARY ACTIVITIES AND OTHER EXPENSES OF THE WAR DEPARTMENT INCIDENT THERETO**

**SALARIES, WAR DEPARTMENT**

Secretary of War, \$15,000; Assistant Secretary of War, \$10,000. For compensation for other personal services in the District of Columbia, as follows:

Office of Secretary of War, \$272,927: *Provided*, That no field-service appropriation shall be available for personal services in the War Department except as may be expressly authorized herein.

The amendment was agreed to.

The next amendment was, on page 2, at the end of line 13, to strike out "\$232,034" and insert "\$232,934," so as to read:

Office of Chief of Staff, \$232,934.

The amendment was agreed to.

The next amendment was, on page 2, at the end of line 14, to strike out "\$1,461,402" and insert "\$1,470,102," so as to read:

Adjutant General's office, \$1,470,102.

The amendment was agreed to.

The next amendment was, on page 2, at the end of line 18, to strike out "\$200,000" and insert "\$250,000," so as to read:

For assembling, classifying, and indexing the military personnel records of the World War, including personal services in the District of Columbia and the purchase of necessary supplies and materials, \$250,000.

The amendment was agreed to.

The next amendment was, on page 2, at the end of line 19, to strike out "\$28,345" and insert "\$28,585," so as to read:

Office of the Inspector General, \$28,585.

The amendment was agreed to.

The next amendment was, on page 2, line 20, after the name "Judge Advocate General," to strike out "\$114,149" and insert "\$114,749," so as to read:

Office of the Judge Advocate General, \$114,749.

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 6, to strike out "\$379,867" and insert "\$380,947," so as to read:

Office of the Chief of Finance, \$380,947.

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 7, to strike out "\$832,275" and insert "\$839,115," so as to read:

Office of the Quartermaster General, \$839,115.

Mr. ROBINSON of Arkansas. Mr. President, on page 3 there are a number of amendments where very small increases are carried. What is the explanation?

Mr. REED. All the amendments on page 3 and in fact about 25 of the amendments in this part of the bill are put

in to take care of the under-average clerks with the 30 per cent arrangement which has come up in each of the appropriation bills. This is the matter in which the Senate is at issue with the House in the correction of the pay of these under-average clerks.

Mr. ROBINSON of Arkansas. This is one of the matters?

Mr. REED. Yes. I think I ought to add to what I have just said that this correction of the pay of the under-average clerks accounts for the fact that the total carried by the bill is in excess of the amount of last year's appropriation bill.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 3, at the end of line 9, to strike out "\$107,709" and insert "\$108,549," so as to read:

Office of the chief signal officer, \$108,549.

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 10, to strike out "\$236,105" and insert "\$237,245," so as to read:

Office of the Chief of Air Corps, \$237,245.

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 11, to strike out "\$282,594" and insert "\$285,774," so as to read:

Office of the Surgeon General, \$285,774.

The amendment was agreed to.

The next amendment was, on page 3, at the end of line 12, to strike out "\$85,033" and insert "\$85,713," so as to read:

Office of Chief of Bureau of Insular Affairs, \$85,713.

The amendment was agreed to.

The next amendment was, on page 3, line 14, after the name "Chief of Engineers" to strike out "\$124,526" and insert "\$125,486," so as to read:

Office of Chief of Engineers, \$125,486.

The amendment was agreed to.

The next amendment was, on page 3, line 23, after the word "exceed," to strike out "\$218,830" and insert "\$221,530," so as to make the additional proviso read:

*Provided further*, That the expenditures on this account for the fiscal year 1932 shall not exceed \$221,530; the Secretary of War shall each year, in the Budget, report to Congress the number of persons so employed, their duties and the amount paid to each.

The amendment was agreed to.

The next amendment was, on page 4, at the end of line 3, to strike out "\$446,618" and insert "\$450,698," so as to read:

Office of Chief of Ordnance, \$450,698.

The amendment was agreed to.

The next amendment was, on page 4, at the end of line 4, to strike out "\$52,429" and insert "\$52,669," so as to read:

Office of Chief of Chemical Warfare Service, \$52,669.

The amendment was agreed to.

The next amendment was, on page 4, at the end of line 6, to strike out "\$25,720" and insert "\$26,080," so as to read:

Office of Chief of Coast Artillery, \$26,080.

The amendment was agreed to.

The next amendment was, on page 4, at the end of line 7, to strike out "\$149,804" and insert "\$151,844," so as to read:

Militia Bureau, War Department, \$151,844.

The amendment was agreed to.

The next amendment was, on page 4, line 8, to increase the total appropriation for salaries in the War Department from \$5,055,517 to \$5,138,417.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses, War Department," on page 6, at the end of line 8,



to strike out "\$155,000" and insert "\$157,000," so as to read:

For stationery; purchase of professional and scientific books, law books, including their exchange; books of reference, pamphlets, periodicals, newspapers, maps; typewriting and adding machines, and other labor-saving devices, including their repair and exchange; furniture and repairs to same; carpets, matting, linoleum, filing equipment, photo supplies, towels, ice, brooms, soap, sponges; maintenance, repair, and operation of motor trucks and motor cycles; freight and express charges; street-car fares, not exceeding \$750; postage to Postal Union countries; and other absolutely necessary expenses, including traveling expenses, \$157,000.

The amendment was agreed to.

The next amendment was, under the heading "Military Activities," on page 6, after line 21, to strike out:

No money appropriated by this act for objects which the economic survey which has been conducted by the War Department may show as not being wholly or partly required shall be available for obligation for any other object.

The amendment was agreed to.

The next amendment was, under the subhead "General Staff Corps, contingencies, Military Intelligence Division," on page 8, line 4, after the word "information," to strike out "\$47,480" and insert "\$57,480," so as to read:

For contingent expenses of the Military Intelligence Division, General Staff Corps, and of the military attachés at the United States embassies and legations abroad, including the purchase of law books, professional books of reference, and subscriptions to newspapers and periodicals; for cost of maintenance of students and attachés; for the hire of interpreters, special agents, and guides, and for such other purposes as the Secretary of War may deem proper, including \$5,000 for the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of armies of foreign states at war, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, \$57,480, to be expended under the direction of the Secretary of War.

The amendment was agreed to.

The next amendment was, under the subhead "Army War College," on page 8, at the end of line 18, to strike out "\$81,880" and insert "\$82,540," so as to read:

For expenses of the Army War College, being for the purchase of the necessary special stationery; textbooks, books of reference, scientific and professional papers, and periodicals; maps; police utensils; employment of temporary, technical, or special services, and expenses of special lecturers; for the pay of employees; and for all other absolutely necessary expenses, \$82,540.

The amendment was agreed to.

The next amendment was, under the subhead "Welfare of enlisted men," on page 9, at the end of line 13, to strike out "\$72,640" and insert "\$73,000," so as to read:

For the equipment and conduct of school, reading, lunch, and amusement rooms, service clubs, chapels, gymnasiums, and libraries, including periodicals and other publications and subscriptions for newspapers, salaries and travel for civilians employed in the hostess and library services, transportation of books and equipment for these services, rental of films, purchase of slides for and making repairs to moving-picture outfits, and for similar and other recreational purposes at training and mobilization camps now established or which may be hereafter established, \$73,000.

The amendment was agreed to.

The next amendment was, under the subhead "Finance Department, pay, etc., of the Army," on page 10, line 4, after the word "duty," to strike out "\$131,132" and insert "\$168,650"; on page 11, line 2, after the words "in all," to strike out "\$135,464,164" and insert "\$135,501,682"; in line 2, after the word "less," to strike out "\$800,000" and insert "\$400,000"; and in line 5, after the word "discharges," to strike out "\$134,664,164" and insert "\$135,101,682," so as to make the paragraph read:

For pay of not to exceed an average of 12,000 commissioned officers of the line and staff, \$31,066,500; pay of officers, National Guard, \$100; pay of warrant officers, \$1,734,656; aviation increase to commissioned and warrant officers of the Army, \$1,693,512; additional pay to officers for length of service, \$7,694,796; pay of enlisted men of the line and staff, not including the Philippine Scouts, \$53,183,975; pay of enlisted men of National Guard, \$100; aviation increase to enlisted men of the Army, \$543,279; pay of enlisted men of the Philippine Scouts, \$1,124,182; additional pay for length of service to enlisted men, \$3,338,336; pay of the officers on the retired list, \$9,358,393; increased pay to retired officers on active duty, \$168,650; pay of retired enlisted men, \$12,302,416; increased pay and allowances of retired enlisted men on active duty, \$5,940; pay of retired pay clerks, \$3,375; pay not to exceed 60 civil-service messengers at \$1,200 each at headquarters of the several Territorial departments, corps areas, Army and corps head-

quarters, Territorial districts, tactical divisions and brigades, service schools, camps, and ports of embarkation and debarkation, \$72,000; pay and allowances of contract surgeons, \$51,276; pay of nurses, \$873,400; pay of hospital matrons, \$720; rental allowances, including allowances for quarters for enlisted men on duty where public quarters are not available, \$6,140,735; subsistence allowances, \$5,869,841; interest on soldiers' deposits, \$50,000; payment of exchange by officers serving in foreign countries, and when specially authorized by the Secretary of War, by officers disbursing funds pertaining to the War Department, when serving in Alaska, and all foreign money received shall be charged to and paid out by disbursing officers of the Army at the legal valuation fixed by the Secretary of the Treasury, \$500; additional pay to officers below the grade of major required to be mounted and who furnish their own mounts, \$225,000; in all, \$135,501,682, less \$400,000 to be supplied by the Secretary of War for this purpose from funds received during the fiscal year 1932 from the purchase by enlisted men of the Army of their discharges, \$135,101,682; and the money herein appropriated for "Pay, and so forth, of the Army" shall be accounted for as one fund.

The amendment was agreed to.

The next amendment was, under the subhead "Finance Service," on page 13, at the end of line 2, to strike out "\$1,126,290" and insert "\$1,135,350," so as to read:

For compensation of clerks and other employees of the Finance Department, including not to exceed \$750 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (46 Stat. 818), \$1,135,350.

The amendment was agreed to.

The next amendment was, under the subhead "Quartermaster Corps," on page 15, line 11, after the figures "\$21,237,708," to strike out the colon and the following proviso:

*Provided*, That none of the money appropriated in this act shall be used for the purchase of oleomargarine or butter substitutes for other than cooking purposes.

The amendment was agreed to.

Mr. BLAINE subsequently said: Mr. President, I desire to enter a motion to reconsider the vote by which the amendment on page 15 was adopted.

The PRESIDING OFFICER. The motion will be entered.

The next amendment of the Committee on Appropriations was, on page 17, line 4, to increase the appropriation for regular supplies of the Army from \$5,403,711 to \$5,405,151.

The amendment was agreed to.

The next amendment was, on page 18, line 12, to increase the appropriation for clothing and equipage of the Army from \$8,881,851 to \$8,885,691.

The amendment was agreed to.

The next amendment was, on page 19, line 10, to increase the appropriation for incidental expenses of the Army from \$3,843,762 to \$3,871,182.

The amendment was agreed to.

The next amendment was, on page 21, line 3, to increase the appropriation for transportation of the Army and its supplies from \$14,442,155 to \$14,506,955.

The amendment was agreed to.

The next amendment was under the subhead "Horses, draft and pack animals," on page 22, line 16, before the word "for," to strike out "\$120,000" and insert "\$132,500," and in line 21, to strike out "\$235,620; in all, \$318,120" and insert "\$248,120; in all, \$330,620," so as to read:

For the purchase of draft and pack animals, \$82,500; for the purchase of horses within limits as to age, sex, and size to be prescribed by the Secretary of War for remounts of officers entitled to public mounts, for the United States Military Academy, and for such organizations and members of the military service as may be required to be mounted, and for all expenses incident to such purchases (including \$132,500 for encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance), \$248,120; in all, \$330,620.

The amendment was agreed to.

The next amendment was under the subhead "Military posts," on page 23, line 9, before the word "including," to insert "without reference to sections 1136 and 3734, Revised Statutes (U. S. C., title 10, sec. 1339; title 40, secs. 259, 267)," and in line 15, after the word "immediately," to strike out "\$20,638,990" and insert "\$20,728,975," so as to read:

For construction and installation at military posts, including the United States Military Academy, of buildings, utilities, and



appurtenances thereto, including interior facilities, necessary service connections to water, sewer, gas, and electric mains, and similar improvements, all within the authorized limits of cost of such buildings, as authorized by the acts approved February 18, 1928 (45 Stat. 129), May 26, 1928 (45 Stat. 748), February 25, 1929 (45 Stat. 1301), June 18, 1930 (46 Stat. 781), and July 3, 1930 (46 Stat. 1014), without reference to sections 1136 and 3734, Revised Statutes (U. S. C., title 10, sec. 1339; title 40, secs. 259, 267), including also the engagement, by contract or otherwise, of the services of architects, or firms or partnerships thereof, and other technical and professional personnel as may be deemed necessary without regard to requirements and restrictions of law governing the employment and compensation of employees of the United States, to be available immediately, \$20,728,975, of which \$95,000 shall be available for the construction of night flying lighting systems and \$109,173 for transportation expenses incident to construction herein provided for on account of the Air Corps, and of which not to exceed \$2,773,000 shall be available for the payment of obligations incurred under the contract authorizations for these purposes carried in the War Department appropriation act for the fiscal year 1931.

The amendment was agreed to.

The next amendment was, on page 23, line 24, after the numerals "1931," to insert the following proviso:

*Provided*, That of the amount herein appropriated not to exceed \$45,000 shall be available for completing the construction of the new officers' apartment building at the United States Military Academy, West Point, N. Y.: *Provided further*, That of the amount herein appropriated \$12,000 shall be made available for reimbursing the Gray Ladies of the Red Cross for expenditures already made in connection with the construction of the nonsectarian chapel at Walter Reed General Hospital, District of Columbia, authorized by the acts of February 25, 1929 (45 Stat. 1301), and February 28, 1928 (45 Stat. 156).

The amendment was agreed to.

The next amendment was, on page 24, line 10, before the word "That," to strike out "*Provided*" and insert "*Provided further*," and in line 13, after the word "and," to strike out "\$19,138,990" and insert "\$19,228,975," so as to read:

*Provided further*, That of the amount herein appropriated, \$1,500,000 shall be payable from the military post construction fund created by section 4 of the act approved March 12, 1926 (U. S. C., title 10, sec. 1597), and \$19,228,975 shall be payable out of the general fund of the Treasury.

The amendment was agreed to.

The next amendment was, on page 24, line 19, after the word "made," to insert a colon and the following additional proviso:

*Provided further*, That the sum of \$343,784 out of funds authorized for barracks at Fort Lewis by the act of May 26, 1928 (45 Stat. 748), and appropriated for construction at military posts by the act of February 28, 1929 (45 Stat. 1349, 1358), is hereby reappropriated and made available for the construction and installation at Fort Lewis, Wash., of noncommissioned officers' quarters to cost not more than \$119,000 and officers' quarters to cost not more than \$224,784, and the sum of \$75,000 out of funds authorized for hospital at Fort Benning, Ga., by the act of February 18, 1928 (45 Stat. 130), and appropriated for construction at Fort Benning by the act of March 23, 1928 (45 Stat. 326, 334), is hereby reappropriated and made available for construction and installation at Fort Benning, Ga., of a barracks for the medical detachment to cost not more than \$75,000.

The amendment was agreed to.

The next amendment was, under the subhead "Barracks and quarters and other buildings and utilities," on page 26, line 21, after the word "sale," to strike out "to officers, and including also" and insert "of fuel to officers," and in line 23, after the word "posts," to strike out "\$15,865,913" and insert "\$15,925,733," so as to read:

For all expenses incident to the construction, installation, operation, and maintenance of buildings, utilities, appurtenances, and accessories necessary for the shelter, protection, and accommodation of the Army and its personnel and property, where not specifically provided for in other appropriations, including personal services, purchase and repair of furniture for quarters for officers, warrant officers, and noncommissioned officers, and officers' messes and wall lockers and refrigerators for Government-owned buildings as may be approved by the Secretary of War, care and improvement of grounds, flooring and framing for tents, rental of buildings, including not to exceed \$900 in the District of Columbia, provided space is not available in Government-owned buildings, and grounds for military purposes and lodgings for recruits and applicants for enlistments, water supply, sewer and fire-alarm systems, fire apparatus, roads, walks, wharves, drainage, dredging channels, purchase of water, disposal of sewage, shooting galleries, ranges for small-arms target practice, field, mobile, and railway artillery practice, including flour for paste for marking targets, such ranges and galleries to be open as far as practi-

cable to the National Guard and organized rifle clubs under regulations to be prescribed by the Secretary of War, for furnishing heat and light for the authorized allowance of quarters for officers, enlisted men, and warrant officers, including retired enlisted men when ordered to active duty, contract surgeons when stationed at and occupying public quarters at military posts, officers of the National Guard attending service and garrison schools, and for recruits, guards, hospitals, storehouses, offices, the buildings erected at private cost, in the operation of the act approved May 31, 1902 (U. S. C., title 10, sec. 1346), and buildings for a similar purpose on military reservations authorized by War Department regulations; for sale of fuel to officers; fuel and engine supplies required in the operation of modern batteries at established posts, \$15,925,733, of which \$1,414,292 shall be available immediately.

The amendment was agreed to.

The next amendment was, on page 27, after line 17, to strike out:

None of the appropriations in this act shall be available for the purchase for use within the limits of the United States of any raw materials not produced within the limits of the United States or any articles or supplies containing materials or manufactured of materials not produced within the limits of the United States, except (1) articles, materials, or supplies purchased for experimental purposes, (2) crude rubber and components of ammunition or of mixed metals not procurable within the United States, and (3) as may be authorized expressly by law.

And in lieu thereof to insert:

That in the expenditure of appropriations in this act the Secretary of War shall, when in his discretion the interest of the Government will permit, purchase for use, or contract for the use, within the continental limits of the United States only articles of the growth, production, or manufacture of the United States, notwithstanding any existing laws to the contrary.

Mr. SHORTRIDGE. Mr. President, I should be indebted to the Senator from Pennsylvania if he would explain the reasons for striking out the provision as it came to the House and inserting the language found on page 28, as just stated by the Clerk.

Mr. REED. I am very glad to do that, Mr. President. With the sentiment behind the provision adopted by the House I think our committee was in full agreement, but as it is worded, if agreed to, it would prevent the purchase by the Army of any kind of cocoa or chocolate or nutmeg or tapioca or spices, tea, pepper, ginger, vanilla, coconut, cork, tin, shellac, jute, hemp, sisal, silk, gutta-percha, asphalt, opium, camphor, and so on. I could proceed for quite a time enumerating the articles; but, of course, it was not the intention that such articles could not be purchased for the Army from other than American producers. Consequently after hearing from the Assistant Secretary of War, Mr. Payne, and receiving his assurance that wherever possible American products were now given preference, and would continue to be, the committee thought it wiser to put in the language that is seen here in italics, so as to allow the purchase of articles that are not produced in this country but which are essential for the operation of the Army.

Mr. SHORTRIDGE. Let me ask the Senator a question. The Army will be in need of meat. Query, Will there be legal authority for purchasing that meat from American producers when the domestic price might be a little higher than the price offered by a producer in Australia? Or will Australian meat be purchased?

Mr. REED. If the domestic price were only a little higher, I should say that the Secretary of War would have discretion to place the order in the United States, but if the price of the local product should be substantially higher than that of the foreign bidder, I should say that it was not to the best interests of the United States that such local bids should be accepted.

Mr. SHORTRIDGE. Is the law mandatory requiring the War Department to call for bids?

Mr. REED. It is.

Mr. SHORTRIDGE. Is the law mandatory which requires the department to accept the lowest and best bid?

Mr. REED. Yes; it is at present, and the purpose of putting in this clause is to correct that.

Mr. SHORTRIDGE. The next question is, If this amendment be adopted, would it then legally amend the present law in respect to calling for bids and accepting the lowest and best bid?



Mr. REED. Not in respect to calling for bids, but in respect to awarding the contract to the lowest bidder. It leaves the matter to the discretion of the Secretary of War and enables him to accept that bid which on the whole, in his judgment, is to the best interests of the United States.

Mr. GEORGE. Mr. President, may I ask the Senator a question?

Mr. SHORTRIDGE. I yield now and will resume in a moment.

Mr. GEORGE. Heretofore I have understood that there was no discretion in the Secretary.

Mr. REED. There is no discretion at present.

Mr. GEORGE. I rose to ask the Senator this: Is there any basis for the fear—expressed, of course, through communications that reach many Senators—that there is to be any decided or material change in the attitude of the War Department with respect to American products wherever the bid justifies the Secretary in accepting a product made by the American producer?

Mr. REED. No, Mr. President. Assistant Secretary Payne put it very well when he said it did not take legislation from Congress to make an American out of him, and that so far as was possible he was happy to see orders placed in the United States. However, we can not put on an absolute embargo, because, in the first place, commodities such as coffee are not grown here; and, in the next place, there are some products of which we produce only an infinitesimal quantity. Camphor is a good illustration. We do produce a little bit of camphor in this country, but most of it comes from Japan and from Germany. We make a very little crude rubber in California, but most of it, as we all know, comes from the Tropics. We could not limit our purchasing to American-grown articles or we would create such monopoly for American producers that it would put the price to the sky. It is against that sort of thing we want to guard.

Mr. GEORGE. I appreciate that fact, and I felt that there was no need for the fear that had been expressed and the apprehension that had been aroused over the country that the War Department contemplated some rather drastic changes in its general policy.

Mr. REED. Oh, no, Mr. President.

Mr. SHORTRIDGE. Mr. President, I will pursue the matter a moment longer. Of course, I assume that the Secretary is a thoroughbred American and would seek to develop American industry, and to give a market for American products. I assume that to be so, and we may well assume it; but, if it is wholly discretionary with him, the question arises, If there should be—for the sake of the argument or the thought—a substantial difference, would he feel at liberty to prefer the American products?

Mr. REED. I should think that he would not feel at liberty to do so.

Mr. SHORTRIDGE. Is it the opinion of the committee that we may safely rely upon the Secretary to give preference to the American bid, even though it might be, to some extent, greater or less, higher than the foreign bid?

Mr. REED. That is the feeling of the committee. The question is whether the difference is substantial. If the difference in the cost of the domestic and foreign article is substantial, then it is obviously not to the best interests of the United States to pay the higher price, whereas if the difference is slight the article ought to be bought in the United States.

The question can not be disposed of, Mr. President, as simply as the House amendment tried to do it. For example, in the purchase of furniture we all like to see American wood used in preference to foreign mahogany, and the Secretary of War says: "Whenever we purchase a new set we will buy American birch or other American hardwood of some kind; but we can not buy furniture made of American wood to fill out a set which lacks one piece. Where we have heretofore purchased a mahogany set and have to buy one piece to fill it in, it is not good judgment to buy a piece made of American wood."

That is their present practice in buying furniture.

Mr. SHORTRIDGE. Mr. President, I delay the matter at this stage, because the same question will arise when the naval appropriation bill comes before us.

The cattle industry in America is very important, although it may not be at present very prosperous. My view is that we should do everything within reason to encourage the cattle industry in the United States. I am informed that to-day the Navy around about the Hawaiian Islands and in the far Pacific is being fed by Australian mutton and beef. My object is to have the food of the American Army, and certainly the American Navy, supplied by American producers.

Mr. HALE. Mr. President—

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Maine?

Mr. SHORTRIDGE. I yield.

Mr. HALE. I think the Senator should make it clear that he is referring solely to meat that is used by the Asiatic Fleet or in connection with our naval forces which may be in Hawaiian waters, and not to the Navy as a whole.

Mr. SHORTRIDGE. I am immediately referring to the Navy in the waters of the Hawaiian Islands. I am informed that the Navy there is being fed by Australian meat, and that such practice has resulted in the necessity of sending Hawaiian-produced meat to California or elsewhere in the United States seeking some market. In other words, that the market for the Hawaiian meat is supplied by Australia rather than by the Hawaiian producers, and that that has resulted in direct injury to the American-Hawaiian producers. Secondly, it has become necessary to ship the carcasses of Hawaiian cattle to California, thus interfering with the market of the Californian or the far-western producers. Wherefore I have been very much interested in this item, for the reasons I have thus briefly indicated. I am not altogether satisfied to leave this matter wholly within the discretion of the Secretary. I think we might enlarge the provision perhaps in this way:

That all materials and supplies purchased by any department of the Government—

Immediately now having in mind the Army and the Navy—

or used in the construction of any Government work shall be produced within the limits of the United States; that none of the appropriations in this act shall be available for the purchase of materials or supplies or to pay for construction work containing materials or supplies produced elsewhere, except, first, materials or supplies purchased for experimental purposes; second, crude rubber, the components of ammunition or of mixed metals, and all other materials or supplies of a kind not produced within the United States; and, third, such materials or supplies of foreign production as the law may authorize expressly to be purchased from abroad.

If I am correct in my view, a provision such as I have indicated may be attached to any appropriation bill. It is not my immediate purpose much longer to delay the consideration of this particular amendment by urging what I have just suggested; but I wish to give notice that when another appropriation bill comes before the Senate I shall submit in due form an amendment such as I have indicated. I am gratified that the committee has gone as far as it has, but I am not altogether convinced that it has improved the provisions of the bill as it came to us from the House.

What my learned friend the Senator from Pennsylvania says is in part true. Manifestly, if we do not produce here a given article needed by the Army, we must seek to purchase it from elsewhere. There are, however, a great many things produced in this country which may be purchased and used by the Army which are now being purchased from abroad; and the thought running through what I am saying is that we should not leave this matter entirely to the discretion of a given Secretary, but that we, having the right and the power to shape our policy, should more definitely shape that policy toward the end of purchasing these various materials and supplies from American producers, whether it be the farmer, whether it be the miner, whether it be the manufacturer.

As things are in the world to-day, Mr. President, we must with sleepless vigilance look after the people of the United States. I want to develop every industry, and I want to



afford, if I can, a market for the products of every American industry, whether it be the products of the farmer or of the miner or of the manufacturer; and when I say this I am not thinking of California alone. My mind goes out just as earnestly to Alabama or Virginia or Colorado or Rhode Island. Finally, I think it a wise policy for us, in purchasing for our own uses—as in this case the Army—to purchase everything that is possible and reasonably economic from American producers.

At this very time there is being shipped into the United States casein, and it is offered at prices which make it impossible for the American dairy industry to thrive or prosper by the sale of skimmed milk for the production of American casein. I could cite to-day, right here, dozens, perhaps hundreds, of American products of the farm which are being purchased from abroad, and certainly as many items manufactured in America which are being purchased to-day from abroad, products raised or manufactured in America by American labor. Therefore the tariff bill seeks, among other things, and primarily, according to my theory, to protect the American producer; and the present rates in the tariff bill, far from being too high, are in many instances altogether too low.

I see my friend from Alabama [Mr. HEFLIN] standing, and my mind goes again to his great State. On the floor of the Senate the learned Senator pleaded, I thought persuasively, and to my mind conclusively, in favor of additional rates of tariff duties on amorphous and crystalline graphite. Other Senators pleaded for additional rates on various and sundry agricultural and mining products. The rates in the present tariff law, instead of being too high, are in innumerable instances too low, if the tariff duties have any virtue, or if there be any wisdom in what may be called the American protective-tariff policy.

Is it not so in respect to our great oil industry in America? To-day oil is flowing in from Venezuela and is soon to come in vast quantities from Russia; and the American producer, with our standard of wages, our taxation burdens, our civic life conditions, can not compete with the Venezuelan producer or the Russian producer.

Wherefore I was hopeful that the committee would throw around this proposition a little more safeguard and not leave it altogether to the discretion of the Secretary of War. Patriotic man as he is, thorough American as he is, I have not had opportunity to converse with him or confer with him concerning this provision in the bill, and hence I do not know how sympathetic he is toward the views I entertain.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. SHORTRIDGE. Mr. President, if I may be permitted to advert to a remark of the Senator from Pennsylvania, he mentioned crude rubber. We are producing that in California. Now, I have often heard great Senators from Pennsylvania—and that State still has them—argue in favor of building up what we call "infant industries." That was so with the tin-plate industry, when the late President McKinley, then in the House of Representatives, urged a tariff on tin plate. My recollection is that a tariff duty on tin plate was secured as of the time when that industry in the United States was indeed an infant in the cradle; but as that great protectionist, William McKinley, argued, the true policy was to develop an infant industry until it became man grown and afforded labor and profitable employment to American citizens. That wise policy was adopted; and see to-day what the great tin-plate industry is.

If the crude-rubber industry is infantile, if it is small, why should we not seek to develop it and make it a great American industry? Wherefore I think that in the matter of crude rubber we should do everything we can to encourage that industry in the United States. There may be other industries mentioned by the Senator, the development of which in the United States we should encourage, and, in my judgment, the ways to encourage them is by an appropriate tariff or by way of a partial or a complete embargo,

or, in this instance, by purchasing from the American producer the article needed by the Army.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

Mr. REED. Mr. President, before the consideration of the amendment on page 28 has been concluded I ask consent for the insertion of a typographical correction. On line 6, after the words "for the use," there should be included the word "of," so as to read "for the use of."

The PRESIDING OFFICER. Without objection, that correction will be made. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Construction and repair of hospitals," on page 29, at the end of line 19, to strike out "\$580,180" and insert "\$582,520," so as to read:

For construction and repair of hospitals at military posts already established and occupied, including all expenditures for construction and repairs required at the Army and Navy Hospital at Hot Springs, Ark., and for the construction and repair of general hospitals and expenses incident thereto, and for additions needed to meet the requirements of increased garrisons, and for temporary hospitals in standing camps and cantonments; for the alteration of permanent buildings at posts for use as hospitals, construction and repair of temporary hospital buildings at permanent posts, construction and repair of temporary general hospitals, rental or purchase of grounds, and rental and alteration of buildings for use for hospital purposes in the District of Columbia and elsewhere, including necessary temporary quarters for hospital personnel, outbuildings, heating and laundry apparatus, plumbing, water and sewers, and electric work, cooking apparatus, and roads and walks for the same, \$582,520.

The amendment was agreed to.

The next amendment was, under the subhead "Seacoast defenses," on page 30, line 5, after the name "United States," to strike out "\$1,127,858" and insert "\$1,129,778," so as to read:

United States, \$1,129,778, of which \$86,724 shall be available immediately.

The amendment was agreed to.

The next amendment was, on page 30, line 7, before the word "of," to strike out "\$962,516" and insert "\$962,876," so as to read:

Insular departments, \$962,876, of which \$72,990 shall be available immediately.

The amendment was agreed to.

The next amendment was, on page 30, line 11, to increase the total appropriation for seacoast defenses from \$2,739,006 to \$2,741,286.

The amendment was agreed to.

The next amendment was, under the subhead "Signal Corps, signal service of the Army," on page 32, line 10, before the word "of," to strike out "\$3,087,640" and insert "\$3,100,000," so as to read:

Telegraph and telephone systems: Purchase, equipment, operation, and repair of military telegraph, telephone, radio, cable, and signaling systems; signal equipment and stores, heliographs, signal lanterns, flags, and other necessary instruments; wind vanes, barometers, anemometers, thermometers, and other meteorological instruments; photographic and cinematographic work performed for the Army by the Signal Corps; motor cycles, motor-driven and other vehicles for technical and official purposes in connection with the construction, operation, and maintenance of communication or signaling systems, and supplies for their operation and maintenance; professional and scientific books of reference, pamphlets, periodicals, newspapers, and maps for use of the Signal Corps and in the office of the Chief Signal Officer; telephone apparatus, including rental and payment for commercial, exchange, message, trunk-line, long-distance, and leased-line telephone service at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, excepting the local telephone service for the various bureaus of the War Department in the District of Columbia, and toll messages pertaining to the office of the Secretary of War; electric time service; the rental of commercial telegraph lines and equipment and their operation at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, including payment for official individual telegraph messages transmitted over commercial lines; electrical installations and maintenance thereof at military posts, cantonments, camps, and stations of the Army, fire-control and direction apparatus and material for field artillery; salaries



of civilian employees, including those necessary as instructors at vocational schools; supplies, general repairs, reserve supplies, and other expenses connected with the collecting and transmitting of information for the Army by telegraph or otherwise; experimental investigations, research, purchase, and development or improvements in apparatus, and maintenance of signaling and accessories thereto, including patent rights and other rights thereto, including machines, instruments, and other equipment for laboratory and repair purposes; lease, alteration, and repair of such buildings required for storing or guarding Signal Corps supplies, equipment, and personnel when not otherwise provided for, including the land therefor, the introduction of water, electric light and power, sewerage, grading, roads and walks, and other equipment required, \$3,100,000, of which amount \$304,342 shall be available immediately, and not to exceed \$150,000 shall remain available until June 30, 1933, for the construction and rehabilitation of Signal Corps telephone systems.

The amendment was agreed to.

The next amendment was, under the subhead "Air Corps, Army," on page 34, line 22, after the word "aircraft," to strike out "\$31,679,635" and insert "\$31,522,295," so as to read:

For creating, maintaining, and operating at established flying schools and balloon schools courses of instruction for officers, students, and enlisted men, including cost of equipment and supplies necessary for instruction, purchase of tools, equipment, materials, machines, textbooks, books of reference, scientific and professional papers, instruments, and materials for theoretical and practical instruction; for maintenance, repair, storage, and operation of airships, war balloons, and other aerial machines, including instruments, materials, gas plants, hangars, and repair shops, and appliances of every sort and description necessary for the operation, construction, or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith and the establishment of landing and take-off runways; for purchase of supplies for securing, developing, printing, and reproducing photographs in connection with aerial photography; improvement, equipment, maintenance, and operation of plants for testing and experimental work, and procuring and introducing water, electric light and power, gas, and sewerage, including maintenance, operation, and repair of such utilities at such plants; for the procurement of helium gas; salaries and wages of civilian employees as may be necessary, and payment of their traveling and other necessary expenses as authorized by existing law; transportation of materials in connection with consolidation of Air Corps activities; experimental investigation and purchase and development of new types of aircraft, accessories thereto, and aviation engines, including plans, drawings, and specifications thereof, and the purchase of letters patent, application for letters patent, licenses under letters patent and applications for letters patent; for the purchase, manufacture, and construction of airships, balloons, and other aerial machines, including instruments, gas plants, and appliances of every sort and description necessary for the operation, construction, or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith; for the marking of military airways where the purchase of land is not involved; for the purchase, manufacture, and issue of special clothing, wearing apparel, and similar equipment for aviation purposes; for all necessary expenses connected with the sale or disposal of surplus or obsolete aeronautical equipment, and the rental of buildings and other facilities for the handling or storage of such equipment; for the services of not more than four consulting engineers at experimental stations of the Air Corps as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed \$50 a day for not exceeding 50 days each and necessary traveling expenses; purchase of special apparatus and appliances, repairs and replacements of same used in connection with special scientific medical research in the Air Corps; for maintenance and operation of such Air Corps printing plants outside of the District of Columbia as may be authorized in accordance with law; for publications, station libraries, special furniture, supplies and equipment for offices, shops, and laboratories; for special services, including the salvaging of wrecked aircraft, \$31,522,295.

Mr. VANDENBERG. Mr. President, I suggest to the Senator in charge of the bill that this amendment be temporarily passed over until we settle the immediately subsequent amendment, at the top of page 35.

Mr. REED. That is all right, Mr. President.

The PRESIDING OFFICER. Is there objection to the amendment on page 34?

Mr. VANDENBERG. Yes; it is to be temporarily passed over.

Mr. REED. No; we might as well settle the amendment on page 35, and then, according to the decision of the Senate, the preceding amendment will be settled.

Mr. VANDENBERG. That is precisely what I am trying to suggest. Has the amendment on page 35 been stated?

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 35, line 2, after the word "exceeding," strike out "\$2,510,377" and insert "\$2,310,377," so as to make the proviso read:

Provided, That not to exceed \$3,806,211 from this appropriation may be expended for pay and expenses of civilian employees other than those employed in experimental and research work; not exceeding \$2,310,377 may be expended for experimental and research work with airplanes or lighter-than-air craft and their equipment, including the pay of necessary civilian employees; not exceeding \$300,000 may be expended for the production of lighter-than-air equipment; not less than \$15,296,231 shall be expended for the production or purchase of new airplanes and their equipment, spare parts, and accessories; and not more than \$6,000 may be expended for settlement of claims (not exceeding \$250 each) for damages to persons and private property resulting from the operation of aircraft at home and abroad when each claim is substantiated by a survey report of a board of officers appointed by the commanding officer of the nearest aviation post and approved by the Chief of Air Corps and the Secretary of War.

Mr. VANDENBERG. Mr. President, may I ask the Senator in charge of the bill for a statement as to why this item has been reduced?

Mr. REED. Mr. President, the bill as it came from the House provided among other things for \$200,000 to be expended in research and experimental work for a metal-clad lighter-than-air dirigible. It was shown that the cost of that ship, when completed, would run around four and a half to five million dollars. The Army did not ask for it, does not want it, has no tactical use for it, can not afford that four and a half or five million dollars out of the limiting figure of its current annual building program, and feels that if it were compelled to construct such an airship it would necessarily cut down the purchasing of its heavier-than-air procurement. It could not get the number of airplanes that are needed to keep up Army aviation to full strength.

Furthermore, if the Army got the dirigible that is spoken of they would not have the money in their annual aviation appropriation to operate it, and they would not have the personnel to operate it without reducing the activities which they are carrying on in the heavier-than-air department.

For those reasons the Army felt that it was unsuited to their use. The Navy is operating some lighter-than-air dirigibles, like the *Los Angeles*. The Navy has put into commission one metal-clad dirigible. It went into commission last September; but it has not yet flown as much as 300 hours, so nobody knows whether it will be a success or not. I understand that it keeps its rigidity not by internal framework but by the gas pressure of the helium which it carries, and in order to prevent collapse they have to have a rather elaborate system of pumps, pumping air into the interior of the ship to keep up the pressure. It behaves like a flat tire when the pressure goes down.

The Navy is carrying on the experiments, and the Army felt that the Navy ought to have a monopoly, so to speak, in that branch of aeronautics. The Army is not qualified to do the work, although it has some officers skilled in the operation of blimps, some balloon observers, men of that sort; but for every reason the Army asked us to cut this item out, and the committee was unanimous in following that recommendation.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. McKELLAR. It is true also that General Fechet, who has immediate charge of the Air Service, appeared before the committee and said that under no circumstances could the department under him handle this type of work, that they did not have the experts to handle it, that it was wholly unnecessary, and could serve no purpose useful to the Army.

Mr. REED. And they have no house in which to put such a ship.

Mr. McKELLAR. Yes.

Mr. VANDENBERG obtained the floor.

Mr. COPELAND. Mr. President, will the Senator yield a moment?

Mr. VANDENBERG. I yield.

Mr. COPELAND. I got the impression—and I want to ask the chairman of the committee if the impression is not



correct—that General Fechet and Mr. Payne both rejected this proposal without prejudice to the merits of the device, stating that they felt it was an inappropriate machine for the use of the Army.

Mr. REED. That is exactly the fact, Mr. President. They do not denounce it as an impossible, impracticable thing; they simply say that the Army does not need it, and does not want it.

Mr. COPELAND. Did they not go further and say that they would be very glad to see the project developed, in order that it might serve a useful purpose in the future?

Mr. REED. Certainly; they would be glad enough to see somebody else do it—the Department of Commerce or the Navy Department, or somebody having use for it—but the Army has no use for it.

Mr. COPELAND. I wanted to make it clear that there was no feeling on the part of the Army against this device. On the other hand, I thought they were quite anxious that the investigation should go forward; but, as the chairman of the committee has said, their feeling was that it was not suited for the Army, and that it involved future expenditures which were out of line with their program.

Mr. SWANSON. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I yield.

Mr. SWANSON. This matter was before the Committee on Naval Affairs for many years.

Mr. VANDENBERG. I yield for a question, if the Senator please. I prefer to have him speak in his own time, if he wants to discuss the problem.

Mr. SWANSON. Very well.

Mr. VANDENBERG. Mr. President, of course I would not for a moment assume to discuss Army strategy with the distinguished chairman of the Committee on Military Affairs, deferring, as I do, to his judgment upon that score. Neither would I undertake to pose in any remote aspect as an expert upon aviation or any phase of travel in the air. But I would like to present to the Senator from Pennsylvania particularly, and to the Senate in general, a layman's reaction to the situation as it is presented by this particular amendment. It is simply a question whether the Government desires to proceed with its one greatest, forward-looking air adventure or whether it is content to cling to the old order and the old way in its dirigible program.

I suppose no section of the pending bill was debated in greater detail or at greater length, both in the Appropriations Committee of the House and in the House itself, than this particular item; and if there was any one decision made by the House in the full and emphatic possession of all the facts involved, it was this particular decision, a decision in favor of registering continued governmental interest in and cooperation with our greatest single experimentation now under way in the development of progress in the air.

Mr. President, the Senator from Pennsylvania referred to the fact that if the \$200,000 experimentation involved in this situation were successful it would lead to the ultimate investment of several million dollars in a great 100-ton, metal-clad ship. If the experimentation were a success, and conclusively demonstrated that the use of the metal-clad airship is a forward step in the science of the air, a step in the lead, far ahead of any step heretofore taken, the Army and the Navy would be very glad indeed, upon the strength of that demonstration, to proceed, and they would be very foolish and very silly indeed if they did not proceed in the presence of those proofs. They dare not be chained to the yesterdays or they will be hopelessly outclassed. We dare not thus chain ourselves.

What is the item in the pending bill? The item in the pending bill is simply and solely a modest authorization to continue governmental interest in the final evolution of the so-called pressure-rigid, metal-clad airship.

Let me very briefly sketch the history of this item to indicate to the Senate that the precise thing I am saying is verified by chronology and by experience in the air activities of the Government.

Mr. President, the Aircraft Development Corporation, of Detroit, Mich., was organized in 1921, since which time it has expended \$2,300,000, without hope of return, and certainly without answer to any such hope if it ever existed, for the brave and patriotic purpose of serving American progress in the air.

If there is any doubt about the type of men who thus dedicated themselves to a great American purpose, the answer is easily found by a very brief consultation with the technological staff which serves this great institution, an institution which is quasi public in its aspiration and its dedication, and which, if it ceased to exist, would represent perhaps the greatest single serious loss to the available reserve resources of the country imaginable.

The technical committee connected with this group—which is not engaged, I repeat, in a commercial project at the present moment, but is engaged in the one, single, unique experiment all around this world in aviation—consists of Mr. William B. Mayo, chairman, who is chief engineer of the Ford Motor Co.; Mr. C. F. Kettering, president of the General Motors Research Corporation; and Mr. Carl B. Fritzsche, the executive officer of the corporation. The two first named are in pertinent touch with two of the greatest industrial units on earth, two units with the largest devotion of their own resources to scientific research in these fields of transportation.

Who are the consulting engineers? They include Dr. William Hovgaard, professor of naval design and construction at the Massachusetts Institute of Technology; Dr. Alexander Klemin, director of the Guggenheim School for Aeronautics at New York University; Mr. W. Watters Pagon, consulting engineer at Baltimore, Md., who was consulting engineer for the National Advisory Committee for Aeronautics; also Dr. Herbert C. Sadler, who is dean of engineering at the University of Michigan; Mr. Ralph H. Upson, a member of the faculty of the department of aeronautics of the University of Michigan, and several others. In other words, this is no mere business enterprise of which I speak. On the contrary, it is a concentration of scientific resources which are committed to American leadership in all related fields. The Government ignores a first friend whom it sadly needs, particularly in time of stress, if and when it neglects this focus.

Mr. President, this is the thing I am trying to suggest to the Senate, that here is a unique and formidable and dependable group of as forward-looking, forward-marching scientists as there are anywhere in this country, dedicating themselves to a new experiment in the air, backed by the courageous resources which are typical of the great city of Detroit, and purposing to serve America in the air to a degree that is not matched to-day any place around this globe. The sponsors for this group, I should add, number many of the business leaders of all America.

What happened in the course of the dedication to which I have referred? The first thing that happened was the outlining of this new vision, a vision of a metal-clad airship which can travel a hundred miles an hour—and no fabric-covered airship can—such an airship developed successfully and practically as an example, a laboratory proof, of a new resource, priceless in its possibilities not only for purposes of national defense but primarily and fundamentally for the purposes of development of commerce.

Mark you, in the experimentation of the United States in aircraft the country as a whole has spent publicly and privately about \$3,000,000,000 to date on airplanes, it has spent about \$60,000,000 upon airships, yet it has spent only \$300,000 upon the one most forward-looking experiment yet undertaken, namely, the metal-clad ship projected by this Detroit laboratory.

Mr. President, this experiment has ceased to be merely academic. The \$300,000 to which I have referred, matched by \$500,000 from this development corporation, a typical further demonstration of its public interest, resulted in the production at Detroit of the ZMC-2, which is a metal-clad airship—and may I divert to say that a metal-clad airship is an airship which is clad in the aluminum alloy, a sample



of which I hold in my hand. The alloy is known as alclad. Another alloy known as duralumin is used for the frame and the internal structure.

Was the ZMC-2 a success? That is a very pertinent question, in view of the observations of the Senator from Pennsylvania. Assistant Secretary Davison, in charge of aviation, said:

The ZMC-2 has proven a success from an experimental point of view up to the present time. It would be a shame to let the experiment lapse.

It is particularly interesting to me to know that the very conservative and the always economical President Coolidge specifically referred to this experiment in his message to the Congress on December 8, 1926, and particularly emphasized its importance. We need to be economical in our 1931-32 expenditures, Mr. President. But economy at the expense of progress deserves a different name. It is not economy. It is penury—blind and wasteful penury.

The ZMC-2 is comparatively small. If the new development is to be of utility it must be carried into a wider evolution of the craft so that it becomes ultimately practical not only for the purposes of defense but for the purposes of commerce. Therefore it has been proposed and the House of Representatives has voted that \$200,000 be devoted out of the Public Treasury to continue cooperation with this great pioneering laboratory to study the possibility of a 100-ton metal-clad dirigible, which Secretary Davison says is "the next logical step to be taken" in the air. "The next logical step" is a direct quotation. This "next logical step" has been stricken from the bill by the amendment submitted by the committee. It is because I am in favor of taking the "next logical step" in protecting America in the air and in developing air commerce and in consolidating an advantage already ours that I am asking the Senate to disagree to the committee amendment.

Let us see what the 100-ton dirigible would be and would do. The ship would have a speed of 100 miles an hour with, it is believed, a possibility of as high as 125 miles an hour as against 80 miles for the Zeppelin fabric type. It would be able to transport a 40,000-pound military load from Washington to Panama in 28 hours. In addition to quarters for the crew for the ship it would have quarters for 32 officers. With a full military load it would have a radius of 2,200 miles; with a half load, 3,600 miles; with crew only, 4,400 miles. It would probably be 554 feet long and 120 feet in diameter. It would be a metal-clad airship, which, I repeat, Secretary Davison says is "the next logical step" to be taken. I quote Secretary Davison further:

It is my opinion that if this project is undertaken, much will be learned which will be of value to the science of aerostatics.

The national defense could not win a greater asset. Air commerce could not win a more effectual resource.

The House subcommittee took this broad view. The House, upon a division, took the same view. The only adverse report and the only hostile criticism so far as the Congress is concerned now comes in the recommendation of the Senate committee. I submit that the committee's recommendation looks backward instead of forward. The metal-clad airship is the one unique contribution which America is making to air science, already demonstrated to be a practical contribution, and which is our own exclusive American property without competition anywhere else in the world. I do not quarrel with the tremendously important Zeppelin program. This project does not compete with it. This project is separate and distinct. It is science asking for a chance to serve America.

It is a pathetically small sum, \$200,000, to be devoted to a forward-looking experiment in aviation and airship transport. It is a pathetically small sum which is dedicated to new thought and new adventure and progress for to-morrow compared to the millions and millions of dollars that are invested in the bill for the purpose of doing the same old thing to-morrow that we did yesterday. This metal-clad airship industry is America's exclusive property. Except as the Government, which inevitably is the sole present and ultimate consumer, itself is willing in a small degree and a

modest way to cooperate with this great laboratory of unselfish patriotic crusaders in Detroit, Mich., it is impossible to carry on.

I invite the attention of the Senate to the fact that when this group organized their original venture it was undertaken with the encouragement and practically the promise of the Government that in view of its importance it would be seen through to the finish. I am relying for that observation upon Admiral Moffett, who was the Chief of the Bureau of Aeronautics, and General Patrick, who was the Chief of the Army Air Corps. The Senate committee now asks that Government interest and encouragement shall be withdrawn.

This proposed 100-ton metal-clad dirigible, according to Secretary Davison, I repeat, and I quote liberally, is "the next logical step" in the development of the metal-clad airship, and it is the next step in consolidating the great advantages we have already gained from the experiment already made and in carrying it to its ultimate success.

Mr. President, in view of the situation, in view of the obvious merits of the proposition, in view of the credentials of the great engineers who are engaged in the enterprise, in view of the admitted facts that transport in the air is still in an undeveloped era, I urge that the committee's amendment be rejected so that the United States can continue to carry on in the only new, unique, wholly American, forward-looking experiment in the air.

Mr. McKELLAR. Mr. President, in answer to what the Senator from Michigan just said I desire to read a short excerpt from the hearings:

Senator COPELAND. You know, the layman's idea of making a ship that would not burn, is that it is very important.

General FECHET. No, sir; Senator, this ship does not exist. This \$200,000—

This is the amount sought to be appropriated only to begin the operation—

would not buy a ship. This is to be paid to those who propose to make this ship for experimental purposes. In other words, help pay for development, entirely.

If this thing should be a success, we will be put in the position of coming before these various subcommittees and asking for \$4,000,000 to buy this ship, and the idea is that we will have to come up here and ask for great increases, for the purchase of the ship, and for the operation of it, as well as ground equipment. And our operating funds are none too liberal, and then we have an agreement in the joint board to-day, under which we are only authorized to operate small lighter-than-air semi and non rigid units. We would have to have money for this large dirigible. We will have to have more operating funds. We can not run it with the present personnel. It does not fit in with the real duty of the Army Air Corps, which is to handle heavier-than-air craft, with a limited handling of small lighter-than-air craft.

Senator COPELAND. I take it that it is not proposed that the Army will operate this yet. You say that it will take a long time to make it, will it not?

General FECHET. Yes, sir.

Senator COPELAND. This is experimental work?

General FECHET. Yes, sir.

Senator COPELAND. And for experimental work?

General FECHET. This will help pay for the experimental work.

A small ship of this kind has been built, and I believe, sold to the Navy.

Senator FLETCHER. These people who contemplate building a ship are simply trying to get the Government to bear the expense of the experimental work?

General FECHET. I would not say bear the expense of the work, because that is going to cost more than \$200,000. I would say help bear the expense.

Mr. PAYNE. Mr. Chairman, may I make a remark there?

Senator REED. Certainly.

Mr. PAYNE. A few weeks ago, the chief engineer of the Ford Motor Co., Mr. Kettering; the chief engineer of the General Motors, Mr. C. F. Mott; the chief engineer of the Oldsmobile, Mr. Olds; and several others came into the department and stated that England, on account of their unfortunate catastrophe, was out of the running; Germany would like to expand but did not have the funds, and that we were the only country that they felt was in a financial condition to make this expenditure. They felt that it was more than they ought to do themselves and they wanted to see the Government start in to see if out of this they might not find something that would be worth while, not believing it is possible that at first the thing would be correct in all respects.

In other words, the Government is to hold the bag.

We told them we must not have anything that would interfere with our air program, and we still felt that it was more of a Navy problem than ours.



The \$200,000 sought to be appropriated in the bill as approved and passed by the House is merely for the preliminary work. If this should be extended, the next appropriation will be \$4,000,000 or more necessary to build the ship, and after it is built it will have no place in the Army's program of national defense. We have no personnel for it. We have no means of housing it. In other words, we would have absolutely no use for the machine after we got it. Under these circumstances it seems to me that to ask the Government to appropriate money for experimental work is going far beyond the question, and I certainly hope the committee amendment will be adopted.

Mr. SWANSON. Mr. President, it seems to me the amendment ought to be adopted. In the Navy there have been people who think the rigid dirigible would be a success. The House proposed an appropriation on a previous occasion, and finally the Senate consented to make an experiment, and we spent, I believe, \$300,000 for that purpose, to experiment and determine whether or not a rigid dirigible is feasible. We were not willing to go any further than the experiment. Congress has the responsibility of expending the people's money, and to expend \$4,500,000 on a mere experiment would not be justified. We have had the experiment. It is still doubtful whether the machine is a success or not. To appropriate \$4,500,000 to construct a dirigible for the Army which the Army does not want, when in the Navy we might need one if it is a success, is in my opinion unwise. If it is proven a success, if the naval officers after trying it find that it is a success, find that it can be successfully operated and used for the good of the service, then the Navy will go further. But I am not willing to appropriate even for the Navy \$4,500,000 for a dirigible of this type until I have been conclusively convinced that it is a success.

Mr. COPELAND. Mr. President—

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from New York?

Mr. SWANSON. I will yield in just a moment.

The Navy is making an experiment along this line. Why should we appropriate four and a half million dollars for the Army to conduct a similar experiment when there is no war imminent, when there is no emergency confronting us, and when, if the experiment should prove to be a failure, Congress would be laughed at for its lack of judgment and sense? I now yield to the Senator from New York.

Mr. COPELAND. Mr. President, no appropriation of four and a half million dollars is asked for. The appropriation here provided is \$200,000 in order that this company may proceed with this experimentation. It is frankly admitted that that is what it is for.

Mr. SWANSON. As I understand, it is intended to provide four and a half million dollars for this purpose.

Mr. REED. Mr. President, the experimental work will cost \$200,000. That amount was carried in the House bill. The Army notified us that if the work shall be carried forward and shall indicate success, the construction of the ship will cost four million and a half dollars.

Mr. SWANSON. Why is it necessary that the Army should indulge in conducting such an experiment when the Navy is at the present time experimenting along a similar line?

Mr. COPELAND. It was brought out before the committee by the Army witnesses that it was a desirable thing to have this experimental work done. The Army, however, resists the idea of taking Army funds for that work, because, by agreement, this rigid airship was to be a Navy product, but General Fechet, the Assistant Secretary of War, and all the witnesses who testified at all on the subject said they thought it very desirable that the experimentation should go forward.

Mr. SWANSON. If the experiment being conducted by the Navy shall prove successful, if it shall justify further expenditure, the work can go forward under the Navy, and I would favor that; but I am not in favor of duplicating the experiment and having two experiments going on at the same time.

We have built one of these airships, but I have not heard as yet whether it is a success or not, and I think the best

thing to do is to wait and see whether the airship already constructed proves to be a success.

Mr. HALE. Mr. President, as the Senator from Virginia has explained, the Navy has already appropriated a certain amount of money to construct an experimental metal-clad dirigible. In the naval bill for 1927 we appropriated \$300,000 for that purpose. A metal-clad dirigible has been constructed at a cost of considerably over the \$300,000 appropriated by Congress; it has been turned over to the Navy and is now at Lakehurst. The Government accepted the ship, because it came up to the terms of the contract; but in the last annual report of the Chief of the Bureau of Aeronautics of the Navy the following statement is made:

The experimental metal-clad airship ZMC-2 made her first flight in August, 1929, and was accepted by the department as complying with the contract requirements. Since then the airship has had some 90 flying hours. The elapsed time since her delivery is too short to warrant drawing final conclusions on the durability and other features embodied in the construction of this novel airship.

Therefore, Mr. President, as the Navy Department is not ready as yet to report upon the results of the experiment with this type of ship, it seems to me it is entirely unnecessary for the Army to go ahead and appropriate until the Navy has demonstrated the ship to be a success.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Medical Department, Army, medical and hospital department," on page 37, at the end of line 22, to strike out "\$1,302,868" and insert "\$1,312,108," so as to read:

For the manufacture and purchase of medical and hospital supplies, including disinfectants, for military posts, camps, hospitals, hospital ships and transports, for laundry work for enlisted men and Army nurses while patients in a hospital, and supplies required for mosquito destruction in and about military posts in the Canal Zone; for the purchase of veterinary supplies and hire of veterinary surgeons; for inspection service and instruction furnished by the Department of Agriculture which may be transferred in advance; for expenses of medical supply depots; for medical care and treatment not otherwise provided for, including care and subsistence in private hospitals of officers, enlisted men, and civilian employees of the Army, of applicants for enlistment, and of prisoners of war and other persons in military custody or confinement, when entitled thereto by law, regulation, or contract: *Provided*, That this shall not apply to officers and enlisted men who are treated in private hospitals or by civilian physicians while on furlough; for the proper care and treatment of epidemic and contagious diseases in the Army or at military posts or stations, including measures to prevent the spread thereof, and the payment of reasonable damages not otherwise provided for for bedding and clothing injured or destroyed in such prevention; for the care of insane Filipino soldiers in conformity with the act of Congress approved May 11, 1908; for the pay of male and female nurses, not including the Army Nurse Corps, and of cooks and other civilians employed for the proper care of sick officers and soldiers, under such regulations fixing their number, qualifications, assignments, pay, and allowances as shall have been or shall be prescribed by the Secretary of War; for the pay of civilian physicians employed to examine physically applicants for enlistment and enlisted men and to render other professional services from time to time under proper authority; for the pay of other employees of the Medical Department; for the payment of express companies and local transfers employed directly by the Medical Department for the transportation of medical and hospital supplies, including bidders' samples and water for analysis; for supplies for use in teaching the art of cooking to the enlisted force of the Medical Department; for the supply of the Army and Navy Hospital at Hot Springs, Ark.; for advertising, laundry, and all other necessary miscellaneous expenses of the Medical Department, \$1,312,108.

The amendment was agreed to.

The next amendment was, under the subhead "Corps of Engineers, engineer depots," on page 38, at the end of line 25, to strike out "\$93,260" and insert "\$93,620," so as to read:

For incidental expenses for the depots, including fuel, lights, chemicals, stationery, hardware, machinery, pay of civilian clerks, mechanics, laborers, and other employees; for lumber and materials and for labor for packing and crating engineer supplies; repairs of, and for materials to repair public buildings, machinery, and instruments, and for unforeseen expenses, \$93,620.

The amendment was agreed to.



The next amendment was, under the subhead "Engineer equipment for troops," on page 40, at the end of line 4, to strike out "\$203,870" and insert "\$204,230," so as to read:

For pontoon material, tools, instruments, supplies, and appliances required for use in the engineer equipment of troops, for military surveys, and for engineer operations in the field, including the purchase, maintenance, operation, and repair of the necessary motor cycles; the purchase and preparation of engineer manuals and for a reserve supply of above equipment, \$204,230.

The amendment was agreed to.

The next amendment was, under the subhead "Engineer operations in the field," on page 40, line 20, before the word "of," to strike out "\$216,762" and insert "\$217,712," so as to read:

For expenses incident to military engineer operations in the field, including the purchase of material and a reserve of material for such operations, the rental of storehouses within and outside of the District of Columbia, the operation, maintenance, and repair of horse-drawn and motor-propelled passenger-carrying vehicles; for the execution of topographic and other surveys and preparation and reproduction of maps for military purposes, and for research and development of surveying by means of aerial photography and in field reproduction methods; for services of surveyors, survey parties, draftsmen, photographers, master laborers, clerks, and other employees to Engineer officers on the staffs of division, corps area, and department commanders, and such expenses as are ordinarily provided for under the appropriation for "engineer depots," \$217,712, of which \$117,580 shall be available immediately and remain available until December 31, 1923.

The amendment was agreed to.

The next amendment was, under the subhead "Chemical Warfare Service," on page 44, line 1, before the word "of," to strike out "\$1,252,099" and insert "\$1,261,579," so as to read:

For purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas-warfare purposes, including all necessary investigations, research, design, experimentation, and operation connected therewith; purchase of chemicals, special scientific and technical apparatus and instruments; construction, maintenance, and repair of plants, buildings, and equipment, and the machinery therefor; receiving, storing, and issuing of supplies, comprising police and office duties, rents, tolls, fuels, gasoline, lubricants, paints and oils, rope and cordage, light, water, advertising, stationery, typewriting and adding machines, including their exchange, office furniture, tools, and instruments; for incidental expenses; for civilian employees; for libraries of the Chemical Warfare Service and subscriptions to periodicals; for expenses incidental to the organization, training, and equipment of special gas troops not otherwise provided for, including the training of the Army in chemical warfare, both offensive and defensive, together with the necessary schools, tactical demonstrations, and maneuvers; for current expenses of chemical projectile filling plants and proving grounds, including construction and maintenance of rail transportation, repairs, alterations, accessories, building and repairing butts and targets, clearing and grading ranges, \$1,261,579, of which \$53,727 shall be available immediately.

The amendment was agreed to.

The next amendment was, under the subhead "United States Military Academy, pay of Military Academy," on page 46, line 10, to increase the appropriation for pay of civilian employees from \$276,139 to \$280,939.

The amendment was agreed to.

The next amendment was, under the subhead "Maintenance, United States Military Academy," on page 47, at the end of line 23, to strike out "\$1,379,903" and insert "\$1,383,743," so as to read:

For text and reference books for instruction; increase and expense of library (not exceeding \$6,000); office equipment and supplies; stationery, blank books, forms, printing and binding, and periodicals; diplomas for graduates (not exceeding \$1,100); expense of lectures; apparatus, equipment, supplies, and materials for purposes of instruction and athletics, and maintenance and repair thereof; musical instruments and maintenance of band; care and maintenance of organ; equipment for cadet mess; postage, telephones, and telegrams; freight and expressage; transportation of cadets and accepted cadets from their homes to the Military Academy and discharged cadets, including reimbursements of traveling expenses; for payment of commutation of rations for the cadets of the United States Military Academy in lieu of the regular established ration; maintenance of children's school (not exceeding \$12,200); contingencies for superintendent of the academy, to be expended in his discretion (not to exceed \$4,000); expenses of the members of the Board of Visitors (not exceeding \$1,500); contingent fund, to be expended under the direction of the Academic Board (not exceeding \$500); improvement, repair, and maintenance of buildings and grounds (including roads, walls, and fences); shooting galleries and ranges; cooking, heating, and light-

ing apparatus and fixtures and operation and maintenance thereof; maintenance of water, sewer, and plumbing systems; maintenance of and repairs to cadet camp; fire-extinguishing apparatus; machinery and tools and repair of same; maintenance, repair, and operation of motor-propelled vehicles; policing buildings and grounds; furniture, refrigerators, and lockers for Government-owned buildings at the academy and repair and maintenance thereof; fuel for heat, light, and power; and other necessary incidental expenses in the discretion of the superintendent; in all, \$1,383,743.

The amendment was agreed to.

The next amendment was, under the heading "Organized Reserves," on page 53, line 7, after the words "in all," to strike out "\$6,765,385" and insert "\$6,537,785," so as to read:

For pay and allowances of members of the Officers' Reserve Corps on active duty in accordance with law; mileage, reimbursement of actual traveling expenses, or per diem allowances in lieu thereof, as authorized by law: *Provided*, That the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for 15 days or less shall not exceed 4 cents per mile; pay, transportation, subsistence, clothing, and medical and hospital treatment of members of the Enlisted Reserve Corps; conducting correspondence or extension courses for instruction of members of the Reserve Corps, including necessary supplies, procurement of maps and textbooks, and transportation and traveling expenses of employees; purchase of training manuals, including Government publications and blank forms, subscriptions to magazines and periodicals of a professional or technical nature; establishment, maintenance, and operation of divisional and regimental headquarters and of camps for training of the Organized Reserves; for miscellaneous expenses incident to the administration of the Organized Reserves, including the maintenance and operation of motor-propelled passenger-carrying vehicles and purchase of 30 such vehicles (at a cost not exceeding \$625 each, including the value of a vehicle exchanged), for the actual and necessary expenses, or per diem in lieu thereof, at rates authorized by law, incurred by officers and enlisted men of the Regular Army traveling on duty in connection with the Organized Reserves; for expenses incident to the use, including upkeep and depreciation costs of supplies, equipment, and material furnished in accordance with law from stocks under the control of the War Department, except that not to exceed \$440,842 of this appropriation shall be available for expenditure by the Chief of the Air Corps for the production and purchase of new airplanes and their equipment, spare parts, and accessories; for transportation of baggage, including packing and crating, of reserve officers on active duty for not less than six months; for the medical and hospital treatment of members of the Officers' Reserve Corps and of the Enlisted Reserve Corps who suffer personal injury or contract disease in line of duty, as provided by the act of April 26, 1923 (U. S. C., Supp. III, title 10, secs. 451, 455), and for such other purposes in connection therewith as are authorized by the said act, including pay and allowances, subsistence, transportation, and burial expenses; in all, \$6,537,785, and no part of such total sum shall be available for any expense incident to giving flight training to any officer of the Officers' Reserve Corps unless he shall be found physically and professionally qualified to perform aviation service as an aviation pilot by such agency as the Secretary of War may designate.

The amendment was agreed to.

The next amendment was, under the heading "Citizens' military training, Reserve Officers' Training Corps," on page 57, line 10, before the word "of," to strike out "\$3,960,000" and insert "\$3,970,000," so as to read:

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, including cleaning and laundering of uniforms and clothing at camps; and to forage, at the expense of the United States, public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue, when necessary; for purchase of training manuals, including Government publications and blank forms; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit, or in lieu of transporting them to and from such camps and subsisting them while en route to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for pay for



students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920 (U. S. C., title 10, sec. 387); for medical and hospital treatment until return to their homes and further medical treatment after arrival at their homes, subsistence during hospitalization and until furnished transportation to their homes, and transportation when fit for travel to their homes of members of the Reserve Officers' Training Corps who suffer personal injury in line of duty while en route to or from and while at camps of instruction under the provisions of section 47a of the national defense act approved June 3, 1916 (U. S. C., title 10, sec. 441), as amended; and for the cost of preparation and transportation to their homes and burial expenses of the remains of members of the Reserve Officers' Training Corps who die while attending camps of instruction as provided in the act approved April 26, 1928 (U. S. C., Supp. III, title 10, sec. 455); for mileage, traveling expenses, or transportation, for transportation of dependents, and for packing and transportation of baggage, as authorized by law, for officers, warrant officers, and enlisted men of the Regular Army traveling on duty pertaining to or on detail to or relief from duty with the Reserve Officers' Training Corps; for the maintenance, repair, and operation of motor vehicles, and for the purchase of 7 motor-propelled trucks, 4 at a cost not exceeding \$2,000 each and 3 at a cost not exceeding \$750 each, including for both types the value of a vehicle exchanged, \$3,970,000, of which \$368,047 shall be available immediately.

The amendment was agreed to.

The next amendment was, under the subhead "Citizens' military training camps," on page 60, line 3, after the words "in all," to strike out "\$2,802,754" and insert "\$2,779,849," so as to read:

For furnishing, at the expense of the United States, to warrant officers, enlisted men, and civilians attending training camps maintained under the provisions of section 47d of the national defense act of June 3, 1916, as amended (U. S. C., title 10, sec. 442), uniforms, including altering, fitting, washing, and cleaning when necessary, subsistence, or subsistence allowances, and transportation, or transportation allowances, as prescribed in said section 47d, as amended; for such expenditures as are authorized by said section 47d as may be necessary for the establishment and maintenance of said camps, including recruiting and advertising therefor, and the cost of maintenance, repair, and operation of passenger-carrying vehicles; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for gymnasium and athletic supplies (not exceeding \$20,000); for mileage, reimbursement of traveling expenses, or allowance in lieu thereof as authorized by law, for officers of the Regular Army and Organized Reserves traveling on duty in connection with citizens' military training camps; for purchase of training manuals, including Government publications and blank forms; for medical and hospital treatment, subsistence, and transportation, in case of injury in line of duty, of members of the citizens' military training camps and for transportation and burial of remains of any such members who die while undergoing training or hospital treatment, as provided in the act of April 26, 1928 (U. S. C., Supp. III, title 10, secs. 454, 455); in all, \$2,779,849.

The amendment was agreed to.

The next amendment was, under the subhead "Ordnance equipment for rifle ranges for civilian instruction," on page 62, at the end of line 13, to strike out "\$200,000" and insert "\$250,000," so as to read:

For arms, ammunition, targets, and other accessories for target practice, for issue and sale in accordance with rules and regulations prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War, in connection with the encouragement of rifle practice, in pursuance of the provisions of law, \$250,000.

The amendment was agreed to.

The next amendment was, under the subhead "Quartermaster Corps, cemeterial expenses," on page 64, line 13, before the word "of," to strike out "\$1,152,658" and insert "\$1,158,418," so as to read:

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, laborers and other employees, purchase of tools and materials; purchase of one motor-drawn hearse at a cost not to exceed \$2,100, and for the repair, maintenance, and operation of motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery, and permanent American cemeteries abroad, including not to exceed \$2,250 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (46 Stat. 818); for repair to roadways, but not to more than a single approach road, to any national cemetery constructed under

special act of Congress; for headstones for unmarked graves of soldiers, sailors, and marines under the acts approved March 3, 1873 (U. S. C., title 24, sec. 279), February 3, 1879 (U. S. C., title 24, sec. 280), March 9, 1906 (34 Stat. 56), March 14, 1914 (38 Stat. 768), and February 26, 1929 (U. S. C., Supp. III, title 24, sec. 280a), and civilians interred in post cemeteries; for recovery of bodies and the disposition of remains of military personnel and civilian employees of the Army under act approved March 9, 1928 (U. S. C., Supp. III, title 10, sec. 916); for the care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plats owned by the United States in Confederate Cemetery at North Alton, the Confederate Cemetery, Camp Chase, at Columbus, the Confederate section in Greenlawn Cemetery at Indianapolis, the Confederate Cemetery at Point Lookout, and the Confederate Cemetery at Rock Island, \$1,158,418, of which \$187,843 shall be available immediately.

The amendment was agreed to.

The next amendment was, under the subhead "Gettysburg National Military Park," on page 67, line 11, before the word "of," to strike out "\$72,015" and insert "\$72,795," so as to read:

For continuing the establishment of the park; acquisition of lands, surveys, and maps; constructing, improving, and maintaining avenues, roads, and bridges thereon; fences and gates; marking the lines of battle with tablets and guns, each tablet bearing a brief legend giving historic facts and compiled without censure and without praise; preserving the features of the battlefield and the monuments thereon; compensation of superintendent, clerical and other services, expenses, and labor; purchase and preparation of tablets and gun carriages and placing them in position; purchase of one freight-carrying automobile, at a cost not to exceed \$900; maintenance, repair, and operation of motor-propelled freight and passenger-carrying vehicles, and all other expenses incident to the foregoing, \$72,795, of which \$36,079 shall be available immediately.

The amendment was agreed to.

The next amendment was, under the subhead "Shiloh National Military Park," on page 68, line 20, after the word "vehicle," to strike out "including \$50,000 for completing the resurfacing of the road situated in the Shiloh National Military Park and extending from the original boundaries of the park to the Corinth National Cemetery, \$90,120" and insert "\$40,120," so as to read:

For continuing the establishment of the park; compensation of superintendent of the park; clerical and other services; labor; historical tablets; maps and surveys; roads; purchase and transportation of supplies, implements, and materials; foundations for monuments; office and other necessary expenses, including maintenance, repair, and operation of one motor-propelled passenger-carrying vehicle, \$40,120.

The amendment was agreed to.

The next amendment was, under the subhead "Survey of battlefields," at the top of page 70, to insert:

The unexpended balances of the appropriations for survey of battlefields in the vicinity of Richmond, Va., including the battlefield of Cold Harbor, Va., and the battlefield of Saratoga, N. Y., contained in the second deficiency act, fiscal year 1930, are hereby continued and made available until June 30, 1932.

The amendment was agreed to.

The next amendment was, under the subhead "National monuments," on page 71, after line 17, to insert:

Old Fort Niagara, N. Y.: For the completion of repair, restoration, and rehabilitation of the French castle, the French powder magazine, the French storehouse, the early American hot-shot oven and battery emplacements and gun mounts, the casements of 1861, and the outer French breastworks, and for the repair and building of roadways and the improvement of grounds at Old Fort Niagara, N. Y., to be available until expended, \$35,000, to be expended only when matched by an equal amount by donation from local interests for the same purpose, such equal amount to be expended by the Secretary of War: *Provided*, That all work of repair, restoration, rehabilitation, construction, and maintenance shall be carried out by the Secretary of War in accordance with plans approved by him.

The amendment was agreed to.

The next amendment was, under the subhead "Signal Corps, Washington-Alaska Military Cable and Telegraph System," on page 72, line 19, after the name "Secretary of War," to strike out "\$298,560" and insert "\$298,740," so as to read:

For defraying the cost of such extensions, betterments, operation, and maintenance of the Washington-Alaska Military Cable and Telegraph System as may be approved by the Secretary of War, to be available until the close of the fiscal year 1933, from the receipts of the Washington-Alaska Military Cable and Tele-



graph System which have been covered into the Treasury of the United States, the extent of such extensions and betterments and the cost thereof to be reported to Congress by the Secretary of War, \$298,740.

The amendment was agreed to.

The next amendment was, under the subhead "Muscle Shoals," on page 74, line 23, before the word "to," to strike out "\$254,740" and insert "\$256,840," so as to read:

For operating, maintaining, and keeping in repair the works at Dam No. 2, Tennessee River, including the hydroelectrical development, \$256,840, to remain available until June 30, 1932, and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers.

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments. The reading of the bill was concluded.

Mr. REED. Mr. President, on behalf of the Committee on Appropriations I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 7, after line 14, it is proposed to insert:

Yorktown Sesquicentennial Celebration: For the expenses of the United States Army, which is hereby authorized to participate on October 16, 17, 18, and 19, 1931, in the sesquicentennial celebration at Yorktown, Va., to be held pursuant to Public Resolution No. 89, Seventy-first Congress, approved June 17, 1930, entitled "Joint resolution providing for the participation of the United States in the celebration of the one hundred and fiftieth anniversary of the siege of Yorktown, Va., and the surrender of Lord Cornwallis, on October 19, 1781, and authorizing an appropriation to be used in connection with such celebration, and for other purposes," including transportation to and from Yorktown, of troops, tentage, supplies, equipment, and all other expense incident to a proper participation in said celebration, including the expenses of the Army Band, which is hereby authorized to participate in said celebration, the sum of \$30,000.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SWANSON. I offer an amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 72, after line 6, it is proposed to insert:

Protecting Jamestown Island, Va.: For the extension and completion of the sea wall and the construction of any other necessary works for protecting Jamestown Island, in the State of Virginia, from the encroachments of the James River, \$25,000.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. REED. Mr. President, I think the amendment is subject to a point of order, is it not?

Mr. SWANSON. I should like to have the Senator hear me on that question.

Virginia has appropriated \$100,000 with which to buy Jamestown Island and give it to the Government. Jamestown Island is the site of the first permanent settlement of the English race in America. It was the beginning of the American Republic.

Congress has passed a bill appropriating \$500,000 for colonial monuments, including the battlefield of Yorktown and Jamestown Island.

In 1904 the island was being washed away. So a wall was erected to protect the island from further encroachment of the river. Nothing, however, has been done since 1904, and as this island will soon be the property of the Government it is absolutely necessary that it should be protected. So I have offered the amendment which calls for an appropriation of \$25,000—I think, perhaps, \$50,000 will be necessary—to protect the island.

I wish to say to the Senator it is very doubtful whether the amendment is subject to a point of order, as provision has heretofore been made respecting the island. The need for the expenditure of the money is very urgent. As I have said, the island is being washed away with great rapidity on account of the floods which occur in the James River. All I ask the Senator to do is to take this amendment to conference and if the committee does not favor it and if, after investigation, he does not favor it, it will be perfectly agreeable to me for him not to agree to it. It seems to me,

however, in order to protect this national monument the amendment should be adopted.

I did not receive information in regard to the situation until the receipt of a letter yesterday from Doctor Goodwin, who is in charge there, saying that conditions were very bad.

I know it is embarrassing for the Senator to accept amendments, but if it is not agreeable to his committee and if on investigation he is not satisfied that the amendment ought to be adopted in order to protect the property of the Government, I am willing that it be left out, and the Senator will not hear any complaint from me.

Mr. REED. Mr. President, of course it is not fair to some Senators to make a point of order against amendments offered by them and then waive the point of order in favor of amendments submitted by other Senators. The only way to settle that is to make the point of order against every amendment that seems to be outside the rule. However, I will say to the Senator that if the point of order shall not be sustained I will not make any further fight on the amendment, and we will take it to conference and look into it.

Mr. SWANSON. The Government has undertaken to appropriate money to take care of the situation at Jamestown Island.

The VICE PRESIDENT. The Chair will inquire if this item has been estimated for?

Mr. REED. I understood the Senator to say that it had been estimated for.

Mr. SWANSON. It has not been estimated for.

Mr. REED. I am sorry, but I shall have to insist on the point of order.

The VICE PRESIDENT. If it has not been estimated for, as it proposes to add an item to the appropriation bill, it is in violation of the rule, and the Chair sustains the point of order.

Mr. NORRIS. Mr. President, I offer the amendment which I send to the clerk's desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. After line 2, on page 75, it is proposed to insert the following:

For the building of transmission lines from Muscle Shoals, Ala., to remain available until expended, \$10,000,000.

Mr. REED. Mr. President, I make the point of order against that amendment that it has not been estimated for and is not authorized by existing legislation.

Mr. NORRIS. Mr. President, the facts are that during the present Congress the Senate passed a bill, which is now pending in conference, in which the building of transmission lines is authorized. The case presented by the amendment is, I think, on all fours with that where the Senate provided for the reconditioning of three battleships at an expense of \$30,000,000. The appropriation bill came to the Senate before the bill providing for such reconditioning had passed the House, but it was held that an appropriation for carrying out the provisions of the Senate bill was in order. That was likewise done in the case of the maternity bill. The maternity bill passed Congress at this session, and when the appropriation bill came here an amendment was offered appropriating money to carry out the provisions of the maternity bill, and that appropriation was put in the bill.

The VICE PRESIDENT. May the Chair ask the Senator a question?

Mr. NORRIS. Certainly.

The VICE PRESIDENT. Is the amount provided in the amendment the sum that was carried in the bill as passed?

Mr. NORRIS. There was not any amount provided. I have the language here and will read it to the Chair.

The VICE PRESIDENT. Was the provision that is embodied in the amendment, outside of the \$10,000,000, carried in the bill that was passed? Will the Senator read the provision in the bill?

Mr. NORRIS. I will read it.

Section 11 of the Muscle Shoals joint resolution, so far as it applies to this amendment, reads as follows:



SEC. 11. In order to place the board upon a fair basis for making such contracts and for receiving bids for the sale of such power it is hereby expressly authorized, either from appropriations made by Congress or from funds secured from the sale of such power, to construct, lease, or authorize the construction of transmission lines within transmission distance in any direction from said Dam No. 2 and said steam plant:

I can not myself conceive how that would be subject to a point of order. The Chair is familiar with the rule. I will not read it; but we have already done that twice at this session of Congress.

The VICE PRESIDENT. The Chair is of the opinion that this would not of itself be general legislation and is in order, because it carries out the provisions of the Muscle Shoals joint resolution.

The question is on the amendment offered by the Senator from Nebraska.

Mr. REED. I call for the yeas and nays, and I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Dill	Kean	Sheppard
Barkley	Fess	Kendrick	Shipstead
Bingham	Fletcher	Keyes	Shortridge
Black	Frazier	McGill	Smith
Blaine	George	McKellar	Steck
Blease	Gillett	McMaster	Stelwer
Borah	Glass	McNary	Stephens
Bratton	Glenn	Metcalf	Swanson
Brock	Goff	Morrison	Thomas, Idaho
Brookhart	Goldsborough	Morrow	Thomas, Okla.
Broussard	Gould	Moses	Townsend
Bulkley	Hale	Norbeck	Trammell
Capper	Harris	Norris	Tydings
Caraway	Harrison	Nye	Vandenberg
Carey	Hatfield	Oddie	Wagner
Connally	Hawes	Partridge	Walcott
Copeland	Hayden	Phipps	Walsh, Mont.
Couzens	Hebert	Pine	Waterman
Cutting	Heflin	Ransdell	Watson
Dale	Howell	Reed	Wheeler
Davis	Johnson	Robinson, Ark.	Williamson
Deneen	Jones	Schall	

The VICE PRESIDENT. Eighty-seven Senators have answered to the roll call. A quorum is present.

The question is on the amendment offered by the Senator from Nebraska [Mr. NORRIS], on which the yeas and nays have been demanded. Is there a second for the demand for the yeas and nays?

The yeas and nays were ordered.

Mr. NORRIS. Mr. President, I desire briefly to explain to the Senate what this amendment is, and the reason why, in my judgment, it ought to be agreed to. A point of order has been made against it; but the point of order has been overruled, and I think the amendment is clearly in order.

On page 75 of the bill, after line 2, I propose to add the appropriation of \$10,000,000 for the purpose of building transmission lines from Muscle Shoals.

The Senate will remember that we passed a joint resolution providing for the control and government of Muscle Shoals on the 4th day of April, 1930. That measure is now in conference, and has been since the latter part of May, 1930. Sharp controversy has taken place between the conferees. The joint resolution that passed the Senate, so far as building transmission lines is concerned, was a verbatim copy of the bill that we passed in the preceding Congress, which was pocket vetoed by President Coolidge. That bill, including this very language which gives authority now to make the appropriation, passed the House at that time in that form.

When the conferees were appointed and began negotiations to try to reach an agreement, after a great deal of controversy that has been going on off and on now during all this session and part of last session, there was sharp disagreement. One of the disagreements was over this identical language that the House in a preceding Congress had agreed to, and which is contained in the bill that is now in conference. One of the disagreements was as to the authority providing for the building of transmission lines.

At the first conference had before the adjournment of the preceding session, no headway whatever was made. When Congress reconvened at this session, meetings were held again; and we finally reached a complete agreement which left this language in just as we have it here, although it had been the subject of a very sharp disagreement. Before the agreement was signed, however, the House conferees declined to agree to this language, and it is still in dispute—that and the question of the manufacture of fertilizer down there, which point, however, is not involved in this discussion.

I desire now to call the attention of the Senate to what the conferees representing the House wanted the Senate conferees to do. They wanted us to strike out the language providing for the building of transmission lines except an appropriation was made therefor by the Congress; and it is under that language, which they were willing to accept, that I have offered this amendment. The language provides two methods of building transmission lines. One is that out of money received from the sale of power this board can use the funds to build transmission lines. Another one is out of appropriations made by Congress; and that is what I am seeking to do now. We objected to taking out the language that gave the board power to build them out of money received, because of the difficulty of getting an appropriation through Congress. It might be an urgent matter and be too late to come to Congress to get an appropriation every time they wanted to put in a new transmission line, however small it might be.

We were assured then—we have been assured by some Senators who were trying to get us to agree to this provision—that it would be simply a matter of form to get an appropriation of Congress to build these transmission lines; and this is going to test out whether or not that proposition comes in good faith. If it is agreed to in the Senate and in the House, it will very materially assist the conferees in reaching a conclusion. It will almost eliminate one of the major things in dispute. If they are right that Congress is willing to appropriate the money to build these transmission lines, then one of our difficulties has to a great extent disappeared. I should like to have this amendment go to the House of Representatives and let us see whether their representatives, as conferees, have been properly giving to the Senate conferees the ideas of the House of Representatives.

They want this language. They want to make it impossible to build transmission lines excepting upon an appropriation by Congress. This will immediately put up to them whether all this controversy that has been going on for the last six months is in good faith or otherwise. If we adopt this amendment, they will then have to swallow their own words or they will have to pass the amendment through the House.

The importance of transmission lines in the Muscle Shoals proposition and in the Government and administration of Muscle Shoals can not be overestimated. If we provide for the development of power at Muscle Shoals, and compel everybody who wants power to come to the works and build their transmission lines there to get it, it simply nullifies as a practical proposition the use of any of that electricity by anybody except the Alabama Power Co.

That is the only institution which has physical connection. Outside of Alabama, it is a practical impossibility for a municipality or a county to build a transmission line to Muscle Shoals. If we compel the people who buy the electricity to come to the switchboard to get it, then do not be deceived, it means that nobody, unless it might be the village of Muscle Shoals or a few other places right in the immediate vicinity, will ever get any electricity from Muscle Shoals unless it is bought through the Alabama Power Co. or some subsidiary of the Alabama Power Co., controlled by the Electric Bond & Share Co., of the city of New York—in other words, the Power Trust.

To say that we shall develop the electricity and no transmission line and establish no authority to build a transmission line is to say as the woman said to her daughter, "You



can go swimming, but you can not get your feet wet." It is a nullification indeed of what we are trying to do, and our opponents in the conference committee have been trying their best to convince us that this is the only practical way to get a transmission line, through an appropriation from Congress.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. McKELLAR. If the Senator's amendment is adopted and then afterwards the Senate adopts the amendment offered by the Senator from Alabama [Mr. BLACK], it will mean that hereafter there will be no more going to waste of the enormous power resources which are constantly going to waste there now, benefiting nobody, but that the people in the vicinity of the dam will have the real use of the power developed there. Is not that true?

Mr. NORRIS. I think so. The joint resolution providing for the establishment of the Muscle Shoals plant contains in effect a statement that it is declared to be the intention of Congress to distribute the surplus power developed at Muscle Shoals equitably among the States within transmission distance. We will carry out that idea if we adopt this amendment. In other words, without transmission lines being constructed in some way outside of the Power Trust constructing and owning them, we can develop all the power possible at Muscle Shoals; but as far as giving the people the benefit of it is concerned, we will be helpless, because the only people who will distribute it and sell it will be the Power Trust.

The original act providing for the development of Muscle Shoals contained this language:

The products of such plant shall be used by the President for military and naval purposes to the extent that he may deem necessary, and any surplus which he shall determine is not required shall be sold and disposed of by him under regulations as he may prescribe.

The present administration has refused to sell electricity to anybody except the Alabama Power Co. Three cities within a short distance of that great dam, where they can hear the rolling of the waters tumbling over the dam, have been pleading in vain for electricity. We passed a resolution stating that it was the sense of the Senate that the Secretary of War ought to sell electricity to those cities. No attention has been paid to that. Of course, the President under this law is supreme.

Eventually we are going to construct what is known as the Cove Creek Dam. That is mainly a flood-control proposition, 300 miles from Muscle Shoals. The engineers tell us that it will practically double the value of Dam No. 2 by increasing the flow of the Tennessee River when the water is low and decreasing the flow when the water is high. It is mainly a flood-control proposition. It impounds 3,500,000 acre-feet of water. But the plan provided for in the building of that flood-control dam puts into it facilities for the development of whatever power may be generated there. It will be quite a large item. It will likewise improve, as no other one dam anywhere will improve, the navigation of the Tennessee River. So that incidentally these three benefits dovetail into each other; it will improve the navigation of the Tennessee very materially; it will control, to the extent of 3,500,000 acre-feet of water, the flood water of the Mississippi River; it will practically double the value of the Government property—Dam No. 2—and will almost double the amount of electric power that will be developed at that dam.

One of the things that will be necessary when we come to construct the Cove Creek Dam—which is likewise provided for in this joint resolution—will be power. If this appropriation is made, the Government will be enabled to construct a transmission line from Muscle Shoals to Cove Creek and use the power generated at Dam No. 2 to construct the Cove Creek Dam.

Senators will remember that when we built this Dam No. 2 the first thing the President did was to construct a transmission line, under a contract with the Alabama Power Co., from the Gorgas plant of the Alabama Power Co. to Dam No. 2, in order to get the power necessary in the

construction of the dam. So that it will be extremely valuable to be able to use the power made at Dam No. 2 for the construction of Cove Creek Dam.

It will likewise carry out the theory of the law and enable the Government to construct transmission lines into Tennessee, Mississippi, Georgia, and perhaps into other States, for the purpose of carrying the electricity into localities, which is declared to be one of the objects of the legislation, the transmission of this power and the distribution of it equitably among the States within transmission distance.

Mr. President, this would not be the only way, I admit, to construct transmission lines because, if the House had agreed to the amendment to our bill, we could construct them out of money received from the sale of power; but that seems to be impossible. It seems that the House stands adamant against that, although they voted for it before. They are all contending, so their representatives say, that the way to get transmission lines is through an appropriation made by Congress.

Therefore it seems to me that we ought to provide by this amendment for the building of these transmission lines.

Mr. HEFLIN. Mr. President, what will become of the fertilizer provision of the bill passed by the Senate and now tied up in the House? If the Senate adopts this amendment appropriating \$10,000,000 to construct transmission lines, leaving fertilizer entirely out—that is in another measure, in another body—what is going to become of the fertilizer provision of the bill? Is there not grave danger of making this a power proposition and eliminating the fertilizer feature entirely?

Fertilizer is the main thing with us. Every time this matter has been up I have urged here the importance of manufacturing fertilizer at Muscle Shoals. I have always insisted that a certain amount of this power be devoted to that purpose.

I am very much afraid that if we provide for the building of transmission lines to take this power out from Muscle Shoals it will be going over into Tennessee and other places. I want my good neighbors in Tennessee to have some of this power, if we have any to spare, but I do not want the farmers who need cheaper fertilizer to be lost in the shuffle. I see grave danger to them in this proposition.

We put a provision in an appropriation bill to have transmission lines constructed at Muscle Shoals. That is one thing. Then another bill, in another body, pertaining to the manufacture of fertilizer at Muscle Shoals, goes to sleep, and perhaps to its last sleep. Is it understood that no action will be taken upon the fertilizer provision in the Norris bill in the House. We must not deceive ourselves. There are all sorts of forces at work here. The Power Trust does not want fertilizer made at Muscle Shoals, nor does the Fertilizer Trust. The Power Trust wants a power proposition of it entirely, and so does the Fertilizer Trust. They are working together on that. Neither of them wants fertilizer made at Muscle Shoals. The Power Trust hopes to get all that power for itself. The Fertilizer Trust, I repeat, does not want any of it used to make fertilizer so that it will cheapen fertilizer to the farmers.

Mr. President, we already have a transmission line at Muscle Shoals. It may be hard for some people here to understand my proposition, but I try to be just to every interest. The Alabama Power Co. has constructed transmission lines to Muscle Shoals at tremendous expense, and I would not want to confiscate the property of the Alabama Power Co., although the Alabama Power Co. supported the opposition candidate to me in the race for the Senate. The Power Trust, I think, aided tremendously financially in his campaign. But, in spite of all that, I must be just and fair to people who have investments made in my State, and I will be fair to them. I am not going to vote to confiscate the property of the Alabama Power Co., although the Alabama Power Co. did everything in its power to defeat me for the Senate. I am going to be fair to them.

Why not buy the transmission lines that the Alabama Power Co. has at Muscle Shoals, Ala.? What provision have we to take care of those lines, or to utilize those lines, or to give the company a chance to lease those lines to the Gov-



ernment, or sell them to the Government? What is the use of appropriating \$10,000,000 to build transmission lines when there is already a set of transmission lines there?

I want to be fair and just to those who have investments in my State, but, Mr. President, I want to be fair likewise to the farmers. It seems to me that in this proposal the farmers are lost and there will be no fertilizer made down there for them. I do not believe the Government is going to appropriate \$10,000,000 to spend down there to put up transmission lines.

I want to take care of the fertilizer situation for the farmer now. But when we want to do that some hitch comes in it, some trick is sprung somewhere, and it shuts out the farmer. If we put in an entirely different proposal here, an independent matter separate and apart from the measure as it passed the Senate and is now before the House, I ask what is going to become of the provision in the House measure which demands the making of fertilizer for the farmer at Muscle Shoals?

Mr. President, until these things can be made clear and satisfactory to me I am not going to support the present pending measure. I would like to have somebody show me how the fertilizer proposition is going to be tied in here for sure and how we are going to take care of the farmers' interests. I offered an amendment to the Norris bill when it was before the Senate providing that the farm organizations should have at \$1 a year the power they wanted for 10 years to manufacture fertilizer at Muscle Shoals. I got no support for it. There is strong opposition here to making fertilizer for the farmer at Muscle Shoals. I am not going with my eyes open to consent to crucifying the farmers of Alabama and the South on the fertilizer question. I am not going to do that. I should like to be given a little light on this question. I want to know what is going to happen to the other bill in the House. I have been hearing repeatedly that the conferees were about to get together, and then I would hear that they had drifted apart. It is the longest-drawn-out legislative courtship I have ever known of between House conferees and Senate conferees. One day they are about to get together, and then again they are far apart and are angry with each other. They are in deadlock; and now we are asked to reach into it and take away from it and out of it a proposition to build transmission lines at a cost of \$10,000,000 when they already have transmission lines there.

Let the Government lease or buy the transmission lines already at Muscle Shoals from the Alabama Power Co. Has anybody tried to do that? Has anybody suggested to the Alabama Power Co. that they are not going to be permitted to use this power, that we are going to take it over, and therefore their lines will be of no use or benefit to them and that they had better lease or sell them to the Government?

I do not want people out in the Nation who come into my State, a State with the greatest future of any State in the Union, with material wealth unbounded, to think that when they invest money in Alabama their representatives in Congress are going to confiscate their property for personal political reasons. I do not want to treat any interest in that manner. I want them all to know that when they invest a dollar in my State they are going to have a fair deal. That is what Alabama stands for. I want to be just and fair to all. I want to be fair even to those who opposed me in the campaign, the most scandalous, fraudulent, and corrupt ever conducted in my State. I am going to be fair to them, Mr. President, and I am going to insist that the farmers be taken care of because the original act providing for this project at Muscle Shoals set out in detail that fertilizer should be made there in time of peace and nitrates for war purposes in time of war.

Mr. BLACK. Mr. President, it is my purpose to vote for the amendment proposed by the Senator from Nebraska. I am not worried about the lines built by the Alabama Power Co. As a matter of fact when the last line was built from the State of Tennessee down to Muscle Shoals, permission to build that line was granted over my vigorous protest and opposition. I stated at the time that

it was a trick on the part of the power company to get a line built into Muscle Shoals and then later claim that they had expended their money and that it would be confiscation to attempt to sell that power except through their lines. They built their transmission lines there with advance notice that the power belonged to the Government of the United States, that the project was built with the money of the people of the United States, that it was not built with the money of the power companies, and that it was not built to give to the power companies a private profit. It was never intended, when those millions of dollars were expended at Muscle Shoals, to permit at some later date that power to be diverted for the profit of the Alabama Power Co. or any other private power company.

I desire to state, however, with reference to the amendment of the Senator from Nebraska that I expect to vote for it. What we desire in Alabama is legislation—not legislation, however, that will turn the power over to the power companies. We desire first to have fertilizer manufactured because it is more important to us at the present time than is cheap power. It is my intention to vote for the amendment of the Senator from Nebraska, and then to offer some other amendments relating to the subject of the manufacture of fertilizer and providing that preference in power distribution be given to municipalities. I have about reached the conclusion that unless the Senate by a two-thirds vote is willing to suspend the rules and place the Muscle Shoals bill as an amendment upon an appropriation measure, we will have no legislation relating to Muscle Shoals.

I desire to state further that in so far as this appropriation is concerned it does not take away any power that would be used for the manufacture of fertilizer. Unless a bill is agreed upon by the conferees there will be no authority for the building of the transmission lines even though the appropriation should appear in this bill. There is in the bill which will provide for the construction of transmission lines, if it should come out of conference and be passed, a certain provision which will authorize the leasing of the nitrate plants to private capital for the manufacture of fertilizer with a limited profit. Naturally, if the bill passes, before any transmission lines are erected there will be set apart under the terms of the bill a certain amount of power for the manufacture of fertilizer and fertilizer ingredients, so that in voting for the amendment of the Senator from Nebraska I do not vote to divert the power from the manufacture of fertilizer, but I vote simply to take one step toward the eventual solution of the whole problem.

Mr. President, the people of my State have long paid rates for power that are too high. If any protection is needed, it is needed on the part of the consumers of electric power as well as the consumers of fertilizer. The power companies have shown by shrewd manipulation, by political chicanery, by extending their tentacles out into every section of the country, invading the sanctity of our private schools and universities, that they are not in need of any protection on the part of the Congress, or the Senate. So I have no hesitancy whatever in voting for the amendment of the Senator from Nebraska. After it has been acted upon I expect to offer some amendments relating to the proposition of the manufacture of fertilizer and its ingredients, and also to give preference to municipalities in the purchase of power.

There are four towns immediately adjacent to Muscle Shoals, within hearing of the rolling waters of Wilson Dam, which could purchase this power if they should be given the opportunity. This privilege has been denied them, although most of the power has gone to waste and only a trifling part of it has been sold to the Alabama Power Co. at 2 mills per kilowatt-hour. For a long time the administration took the position, for one reason or another, that it would not sell the power, advancing one excuse and then following it with an entirely different excuse. The last excuse offered was that they could not sell it to the municipalities without expense. The municipalities are ready to pay the expense. That is an excuse, but it is not a valid reason.



Immediately after that amendment has been acted upon I shall offer another amendment to provide that municipalities, cities, and counties shall be given preference in the purchase of power. After that amendment is acted upon I shall offer another amendment providing in substance for the leasing of the nitrate plants, which has been practically agreed upon by the conferees of both Houses. There is a slight difference. It may be that I will agree as to the exact terms of the leasing provisions that some of the Senate conferees want, but we can thrash that out upon the floor, and if we have the necessary two-thirds vote to place the amendments upon the pending bill, we will obtain Muscle Shoals legislation. We will hold up the final passage of this appropriation bill until it is agreed upon by the House and signed by the President, or we will bring about within the immediate future an extra session of another Congress in order that Muscle Shoals legislation may be enacted into law.

Mr. President, I hope that the amendment of the Senator from Nebraska will be adopted.

Mr. NORRIS. Mr. President, I do not wish to prolong the debate. I simply want to say a word or two in answer to the Senator from Alabama. This amendment will not take away the power needed for the manufacture of one pound of fertilizer that will be generated at Muscle Shoals. On the other hand, as I said before, it will go a great ways toward assisting the conferees in agreeing on a Muscle Shoals bill which provides in detail for the manufacture of fertilizer.

So far as I know, nobody wants to take one kilowatt of power than can be used for the making of fertilizer and to turn it into anything else. I want to have no misunderstanding about it. The amendment I have proposed will not in any way affect the fertilizer proposition excepting that it will make it more nearly possible to get a bill that will provide for the fertilizer, because that is the point of disagreement in the bill now in conference.

#### MUSCLE SHOALS AND FERTILIZER FOR THE FARMER

Mr. HEFLIN. Mr. President, no one is more heartily in favor of fair power rates for the people in any State than am I for the people of Alabama. I have occupied that position in every instance where the matter has been involved and I am still fighting for fair and reasonable hydroelectric-power rates for the people of my State.

My colleague [Mr. BLACK] has offered a fertilizer amendment here to secure even the consideration of which requires two-thirds of the votes in this Chamber, while he is supporting the power amendment of the Senator from Nebraska [Mr. NORRIS] providing for the building of transmission lines which requires only a majority vote. Thus we have an example of the sad and unfortunate arrangements made for the farmer in this program. The farmer is tied hard and fast in the meshes of a two-thirds vote; he is all tangled up in the wire fence of a two-thirds vote of the Senate before he can even get out into the open Senate to have his measure considered, while, strange to say, the Senator from Nebraska, by a bare majority, can get his amendment on this appropriation bill; but we do not find so favorable an arrangement for the farmer and his interest in fertilizer. We all know that there is no fertilizer in this power transmission line amendment of the Senator from Nebraska. If the Senator's amendment shall be adopted and go over to the House on this appropriation bill with no provision for fertilizer in it, notwithstanding all the talk here to-day in favor of the farmer, nothing will have been done to compel the making of fertilizer at Muscle Shoals. That is what the farmer wants done, and I am not willing to tie him in the background and leave him there while other interests are put forward to his neglect and injury.

The Senator from Nebraska tells us that he is not proposing to take away any "water power" that would be used to make fertilizer, but I submit, Mr. President, as things are moving now there will not be any power left for making fertilizer at Muscle Shoals if we do nothing but construct transmission lines from there. I am reminded of a negro boy in my county who during the World War was called for service under the selective draft. He was brought in and in-

terrogated by the officers. He stood there with his hat in his hand. He was ill at ease and visibly frightened at the thought of going to war in a foreign country. He gave marked attention to an open door in the rear of the room as the officers questioned him. They asked him, "What is your name?" He said, "My name is Sam Duncan." The officer asked, "Where do you live?" The negro boy said, "I live at Fredonia." "Is that your post-office address?" He said, "Yes, sir." The officer then asked, "What is your mother's name," and the boy gave her name. The officer then asked, "What is her post-office address?" The boy said, "You aint gwine to take her, too, is you?" The officer replied, "No; but we want to know where to ship your remains." The boy shouted as he fled with the speed of the wind, "They aint gwine to be no remains." He told the truth; they have not seen him since. [Laughter.] So, Mr. President, I fear if this power proposition shall go through separated from the fertilizer provision "there aint gwine to be any remains" of power to make fertilizer for the farmer at Muscle Shoals. [Laughter.]

Senators, I do not believe very many of you think seriously that this Government is going to appropriate \$10,000,000, and that the President is going to sign the measure, to build new transmission lines at Muscle Shoals when we already have transmission lines there. I ask again, what effort has there been made to lease transmission lines already there from the Alabama Power Co.?

Mr. NORRIS. Mr. President—

Mr. HEFLIN. My attitude may seem strange to some people in Alabama who know that the Alabama Power Co. fought me along with my colleague [Mr. BLACK]; they were on the same side in the campaign made against me in Alabama, and here I am trying to keep their property from being confiscated.

Mr. BLACK. Mr. President—

The VICE PRESIDENT. Does the senior Senator from Alabama yield to his colleague?

Mr. HEFLIN. I yield to my colleague.

Mr. BLACK. I should like to ask the Senator which official of the Alabama Power Co. publicly said he was against Senator HEFLIN.

Mr. HEFLIN. All of them were against me.

Mr. BLACK. Which one of them said it publicly?

Mr. HEFLIN. I do not know that any one of them said it publicly. They did not announce it publicly. [Laughter.]

Mr. BLACK. That is correct; they do not.

Mr. HEFLIN. Many of the Senator's associates in that campaign were not working publicly. They were right along by the Senator's side, though, supporting his candidate, Mr. Bankhead, and here I am alone, so far as Alabama is concerned, in a fight to keep their property from being confiscated. [Laughter.] However, Mr. President, I want them and the world to know that, as a man and as a legislator, I can and will be fair to the bitterest enemy that I have. I will not permit an injustice to be done anybody, rich or poor, high or low. He may be my friend or he may be my foe, I will fight for a fair deal for him.

Here, however, is the situation: How is Alabama to be benefited by this amendment of the Senator from Nebraska? How is the benefit to come to the people in my State? To what points are these transmission lines to be built? Are they to run up into Tennessee or out into Alabama? If so, to what towns in Alabama? I should like to have these gentlemen inform me. I think we are entitled to know just what we are going to do. Who is going to build these lines? To what points, pray tell us, are they going to be built? What are they going to be used for? Where in the proposition is there any provision to make fertilizer for the farmer? Will somebody show it to me? Let us not deceive ourselves and do not let us think that we are going to deceive the people in Alabama, for we are not; they are not going to be deceived if I can help it.

I am going to fight, in this body and elsewhere, to have a fair deal in the matter of hydroelectric-power rates in the State and outside of the State; and, I ask again, where is the provision here that tells me that the farmer is to be



taken care of in the matter of making cheap fertilizer at Muscle Shoals? Where is the provision here that tells the Senate to what points the transmission lines are to be built and what efforts are going to be put forth, if any, to buy the Alabama Power Co.'s lines or lease those lines. Just what are the facts behind this new move? I am not going to detain the Senate. I ask again, if we on this side are justified in voting to appropriate this money for power-transmission lines by a majority vote when it takes a two-thirds vote to give the farmer even a "look in" on the fertilizer proposition?

Mr. President, the act of Congress approved by President Wilson, which authorized the building of the dam at Muscle Shoals, specifically provided that fertilizer for the farmers should be made there in time of peace, and nitrates for the Government in time of war.

Mr. ROBINSON of Arkansas. Mr. President, there is no question that has come before the Congress during recent years that has provoked more discussion than the subject of Muscle Shoals and its disposition. It is desirable, in my judgment, from every standpoint that legislation shall be enacted, and in order to accomplish that it may become necessary to effect a compromise.

I do not want, so far as I am concerned, the issues involved in this amendment to be determined in a controversy as to which of the two Senators from Alabama has, can, or will best serve the interests of the people of Alabama. There is presented a practical and important question. This is an effort to appropriate public funds in the hope that the appropriation may influence an authorization that has not been secured and cause it to be made. Much as I should like to see the Muscle Shoals problem finally disposed of, it does not occur to me that the adoption of this amendment is likely to produce that result.

I voted for the bill of the Senator from Nebraska, which was vetoed by President Coolidge, and I voted for the joint resolution that is now in conference between the two Houses. It is not difficult to sympathize with an effort to coerce action where a conference committee delays agreement as long as that having in charge the Muscle Shoals matter has delayed a decision; but, in my judgment, it is not wise policy to attempt to take \$10,000,000 from the Public Treasury to build transmission lines without any definition or determination as to the location of those lines, with nothing whatever to assure that if the lines are constructed there will result any corresponding benefit to the public.

I realize that there is a great deal that can be said on both sides of this question; but, viewing it as a practical matter of legislation, it does not seem to me that the amendment should be agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. NORRIS. Since Senators fear we are going to do something unjust to the Alabama Power Co., I want to modify the amendment by adding, after the word "constructing," the words "or leasing," so that it will read:

Constructing or leasing transmission lines.

The VICE PRESIDENT. The Senator from Nebraska modifies his amendment. The question is on agreeing to the amendment as modified.

Mr. NORRIS. Mr. President, there is another point I wish to make clear. I thought I had made it clear, but the Senator from Alabama [Mr. HEFLIN] insists on misunderstanding it. There is not any attempt on the part of anybody to prevent the use of the power at Muscle Shoals for the production of fertilizer; in fact, the one thing that has never been in disagreement between the conferees is that every kilowatt of power now generated or hereafter to be generated should be used for the production of fertilizer if the lessee wants to use it for that purpose.

Now, let me read this language that is in the bill, upon which there is no controversy whatever:

The corporation heretofore referred to operating the steam plant at Muscle Shoals and Dam No. 2, and any other steam or hydroelectric facilities which may hereafter be constructed or built as hereinbefore provided in this act, shall supply to the lessee electric power necessary for the operation of the property leased for the

manufacture of fertilizer and ingredients of fertilizer to be used as fertilizer at a price which shall be deemed by the President and the board as fair and just.

Mr. HARRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Georgia?

Mr. NORRIS. I yield to the Senator from Georgia.

Mr. HARRIS. I ask the Senator from Nebraska if he is not willing to add to his amendment the words "also for the manufacture of fertilizer," so that it would read:

For the building or leasing of transmission lines from Muscle Shoals, Ala., to remain available until expended, also for the manufacture of fertilizer, \$10,000,000.

Mr. NORRIS. That would very likely make the amendment subject to a point of order.

I am going to support the Senator from Alabama in his proposition to secure the production of fertilizer, but the words which the Senator from Georgia asks me to add are practically in the bill and are undisputed; there is no dispute about that provision among the conferees. We said to the House conferees, "If you will agree to provide for the manufacture of fertilizer and not for going into the chemical business, if you will confine it to fertilizer and fertilizer ingredients, you can put in any stipulation you want to put in." The stipulation I have read is one they have got in, and there are a good many others, guaranteeing, as they believe, the manufacture of fertilizer and providing that fertilizer shall have the first call on the power.

Senators may talk about abusing the Alabama Power Co. The Senator from Alabama [Mr. HEFLIN] is very tender-hearted about the Alabama Power Co. As to my proposition to lease—if they want to lease—their wires, it is not likely that we will get them. I have not any idea that the Government will be able to lease them. There is a line running in one direction, down to Gorgas. Transmission lines will have to be built in different directions. I can not say; I would not put in an amendment prescribing the places where transmission lines shall be built, as the Senator from Arkansas suggests. That would immediately get the matter into dispute. The authorities named in the bill, I take it, will carry out the intention named in the law—that it is the intention of Congress to distribute this electricity equally, equitably, among the States within transmission distance.

If we put in here a provision that a transmission line should be built to some particular place, that probably would be subject to a point of order; but I would not put it in if it were not, because the Congress can not determine whether they will build a transmission line to Birmingham or Chattanooga, or which one they will build first. I have not consulted with anybody as to what is likely to be done; I do not know anything about it, but I know that when the Muscle Shoals plant was built the first thing that was done was to construct a transmission line from the Gorgas plant, owned by the Alabama Power Co., in order to get power there to do it; and I take it that a transmission line will be built to Cove Creek if this bill becomes a law, connecting the two properties of the Government, so that the power now going to waste at Muscle Shoals can be used in building Cove Creek Dam.

Mr. REED. Mr. President, will the Senator permit a question?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Pennsylvania?

Mr. NORRIS. Yes; I yield.

Mr. REED. I should like to ask the Senator just what legislation it is that passed the Senate that authorizes the addition of this item to an appropriation bill.

Mr. NORRIS. I read it.

Mr. REED. When did it pass the Senate?

Mr. NORRIS. I think on the 4th day of April.

Mr. REED. Then, Mr. President, I feel it is my duty to make the point of order to the amended amendment now pending before the Senate.

Paragraph 1 of Rule XVI provides that—

No amendments shall be received to any general appropriation bill the effect of which will be \* \* \* to add a new item of ap-



appropriation, unless it be made to carry out the provisions of some . . . act, or resolution previously passed by the Senate during that session.

This session began December 1. The act of which the Senator speaks passed last April or May, and went to conference in May—on May 29, according to the calendar—and therefore did not pass during the session at which this appropriation bill is being considered. Not being consummated into a law, and not being an act passed during this session, it seems to me that it does not justify the addition of a new item to an appropriation bill.

Therefore I make that point of order.

Mr. NORRIS. Mr. President, I take it that the real meaning of the rule is "this Congress" and not "this session." As to including the new language, however, I want to read again from the measure that has passed; and I would not have made this change if I had not known that that language was also in that measure.

In order to place the board—

I am reading again what I read before—

upon a fair basis for making such contracts and for receiving bids for the sale of such power, it is hereby expressly authorized, either from appropriations made by Congress or from funds secured from the sale of such power, to construct, lease, or authorize the construction of transmission lines—

And so forth.

I am ready for a ruling, as far as I am concerned.

The VICE PRESIDENT. The Chair is of opinion that under the rule the resolution or the act must have passed at the session of Congress at which the amendment is proposed, and sustains the point of order.

Mr. SHORTRIDGE. Mr. President, I offer the amendment, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. The Senator from California offers the following amendment:

On page 74, line 19, strike out "\$60,000,000" and insert in lieu thereof "\$62,000,000, of which \$2,000,000 shall be available for construction work on the breakwater extension for the protection of the outer harbors of Los Angeles and Long Beach, Calif."

Mr. SHORTRIDGE. Mr. President, if Senators who are present will indulge me without interruption, I shall not detain them long.

I invite their attention first to page 73 of the bill.

This item, the proposed appropriation of \$60,000,000, has to do with rivers and harbors. That sum is to be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers.

On page 74 Senators will observe the scope of the proposed enactment. Beginning on line 13, it will be seen that it is provided—

That no funds shall be expended for any preliminary examination, survey, project, or estimate not authorized by law; and for the prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City, for pay of inspectors, deputy inspectors, crews, and office force, and for maintenance of patrol fleet and expenses of office, \$60,000,000.

My amendment proposes to strike out "\$60,000,000" and in lieu thereof to insert "\$62,000,000," the added \$2,000,000 to be devoted to carrying on the work on the breakwater at the Los Angeles and Long Beach Harbors, Calif., heretofore authorized.

I invite the attention of the Senate to the facts as set forth on page 159 of the House hearings in respect to the nonmilitary items of this bill. On that page will be seen figures indicative of the importance of this harbor and of the work heretofore authorized, and for the carrying on of which I am asking for this additional \$2,000,000.

The estimated cost of this great work was \$17,652,500. There has already been expended on that work \$8,346,000.

The necessity for this work will be made manifest to anyone who will have opportunity and disposition to look at the diagram or map of the Los Angeles Harbor and vicinity before me. If they have not seen, from this map they can visualize this great harbor. This work, may I say, was originally authorized after a long and bitter contest, led

chiefly by a former Senator from California, Senator Stephen M. White. After the work was authorized, appropriations were made from time to time, and the work has reached a certain point.

It is highly desirable that this work go forward and be completed. I have reason to know that all commercial interests favor it; also that naval officers, in so far as they may express their views, favor the completion of these breakwaters. I know as a matter of fact that the necessity of commerce calls for the completion of these breakwaters. If I can picture it by word, one of the breakwaters extends in a certain direction eastward; another from another point in the curvature of the shore, southward; and it is desired that, leaving an opening of some twelve or fifteen hundred feet, another breakwater be constructed so that there will be an inclosed anchorage for the accommodation of Navy and commercial vessels.

I suggest to the Senate this further reason why we should now make this appropriation, and making, as we do, the money presently available. That additional reason is this: I can authoritatively advise the Senate that if this Government work goes on, there is contemplated private work in the development of the harbor which will involve an expenditure of probably \$4,000,000, so that with the Government work going forward and the private work in progress there will be the employment of many men. This governmental work and this privately conducted work will contribute largely to the alleviation of the present unemployment conditions. So, inasmuch as this work was long ago contemplated and authorized and that masterly Democratic Senator, Stephen M. White, made that fight; inasmuch as we have already expended \$8,346,000 in this great work; inasmuch as the completion of the work is much to be desired for economic reasons; and, further, inasmuch as the carrying on of this Government work will set in motion the carrying on of privately owned works to the extent of probably \$4,000,000—for these reasons, thus briefly stated, I submit to the thoughtful Senate that we should amend this bill in the way I have suggested.

Ah, but it may be said that we can not afford to do that now, that the Treasury can not agree to it, that other demands upon the Treasury are so many and so great that we can not with prudence add to the suggested appropriation of \$60,000,000.

I venture to think that it would not in any way embarrass the Treasury if we added \$2,000,000 to this appropriation, and for every reason indicated I am hopeful that the Senate will see its way to provide this additional sum.

To detain Senators a few moments longer, I appeared before the committee and briefly submitted this matter to the members, and in so doing I called their attention to a letter addressed to Major Lanagan, district engineer, Los Angeles, by Mr. G. F. Robinson, a State official; and in that letter what I have stated is more clearly and definitely set out. I will ask that this letter be incorporated in my remarks.

The PRESIDING OFFICER (Mr. COUZENS in the chair). Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 22, 1930.

Maj. W. H. LANAGAN,

District Engineer, United States Engineer's Office,  
Los Angeles, Calif.

RE GREATER HARBOR BREAKWATER—LOS ANGELES—LONG BEACH HARBOR

DEAR SIR: While in Washington, D. C., recently Mr. H. H. Harris, assistant city attorney, and the undersigned, interviewed Brigadier General Pillsbury, Assistant Chief of Engineers, regarding commencement of construction work on the breakwater extension for the protection of Los Angeles—Long Beach outer harbors, which project has been approved by the United States Government.

General Pillsbury stated at the above interview that only lack of funds prevented the beginning of the work in question, and that as soon as sufficient funds were provided for this project that the work would be started at once, and the construction work would proceed without delay until final completion. He also stated that he thought it very important that a decision be reached as soon as possible regarding the type of breakwater to be used, and that the plans and specifications be completed, in order that there may be no delay in the commencement of the work following the appropriation of funds.



We outlined to General Pillsbury the necessity of the breakwater extension in order that proposed projects in the outer harbor might proceed without any undue delay, and he suggested that this data be presented to your office, together with the necessary maps, in order that you would have full information regarding the matter.

The three following outer harbor projects are active projects now under consideration by the harbor department, and are dependent to some extent on the breakwater extension:

1. Fish Harbor extension: You will please find attached plan No. 7606-2, which shows proposed extension of Fish Harbor in order to provide for the proper anchorage of fishing boats in the harbor. At the present time the fishing vessels are scattered in numerous points in the outer and inner harbors, and have no central location nor proper berthing facilities in the harbor, and the Fish Harbor extension as shown on the above map is planned to provide the necessary anchorage and berthing facilities. It will be noted on this plan that there is breakwater protection for the Fish Harbor extension, in the rear of which are to be constructed radial wharves to provide the necessary facilities for fishing boats.

If it were known that the breakwater extension was to be started in the near future, the design of the Fish Harbor extension breakwater could be revised and a less expensive type of breakwater used, thereby effecting a considerable saving in same.

Awaiting commencement of work on the Fish Harbor extension, an attempt was made recently to provide temporary berthing facilities in the inner harbor but, due to the fact that the cost of this temporary facility which would meet the needs of the fishermen, was such that the fishermen would not pay sufficient revenue to the harbor department for the use of same, and also for the reason that any property in the inner harbor which would be used for such facilities will have to be used for future commercial development, it was decided to abandon construction of the temporary facilities. The fishermen are desirous of obtaining a permanent location and will pay the harbor department for suitable facilities, centrally located at Fish Harbor.

It should also be pointed out that the construction of Fish Harbor extension will result also in the further construction of both additional public and private facilities in the Fish Harbor district, such as buildings and warehouses for the storage of supplies, nets, paved highways, etc., so that this project would result in giving considerable employment to labor in this locality.

2. Yacht anchorage project: During the past year, several requests have been made by the yachting interests, particularly the California Yacht Club, for additional yacht anchorage in the east basin and inner harbor, but due to the fact that practically all of the available proposed water areas in the east basin have been dredged for yacht anchorage purposes, it is practically impossible to comply with the desires of the yachting interests. Furthermore, on account of the congestion of harbor properties in the rear of berths 187, 188, 189, and 190, in connection with the storage of pipe, it has become necessary for the harbor department to take over large portions of the California Yacht Club leased property for commercial use. Therefore, considerable study has been made during the past year for a suitable location for yacht anchorage in the outer harbor, which will not interfere with navigation and the commercial development of the harbor. The San Pedro outer harbor has been selected and definite plan decided upon as shown on attached plan 7576-1. It will be noted that the breakwater is shown on the easterly side of proposed yacht anchorage between the west channel and the existing breakwater. If the breakwater extension is started in the near future, then the breakwater protection of the yacht anchorage might be reduced, effecting considerable saving in the construction of same, and it is possible that the breakwater might be eliminated entirely.

If it was sure that the breakwater extension work would start in the near future, there is no doubt that the yacht anchorage project would follow soon after, which would include dredging and filling, construction of wharves, riprap protection, and possible breakwater, besides private construction, with ship-repair yards, yacht-club buildings, and other facilities required by the yachting interests.

3. Construction of terminal on south side of Terminal Island: It is quite possible that before the breakwater extension is well under way that there will be need of a large ocean terminal on the south side of Terminal Island, as shown on attached plan of Los Angeles Harbor, in order to accommodate the large-size vessels which are now making this port and demanding a quicker turn around. The steamship interests operating around-the-world steamers and larger vessels entering the port prefer the outer harbor, and if the facilities at Pier 1 become congested in the future the providing of terminals on the south side of Terminal Island as referred to above would naturally follow. If the breakwater extension was delayed for any considerable length of time, this might result in a considerable handicap to the harbor department in the installation of the terminal referred to.

The estimated cost of the Fish Harbor extension and yacht anchorage facilities amount to approximately \$2,500,000 and the construction of these facilities, as referred to before, would result in other public and private construction in the outer harbor, amounting to probably another \$1,500,000, so that if the harbor department and private interests were assured of the breakwater extension going forward at an early date, there is no doubt that at least \$4,000,000 would be expended in other construction work in the outer harbor, which would be in line with the present policy of the United States Government in advancing public construction at this time in order to relieve the unemployment situation.

It is earnestly requested that you give this matter serious consideration and advise your Washington, D. C., office regarding the importance of advancing the commencement of work on the breakwater.

Very truly yours,

G. F. ROBINSON.

Mr. SHORTRIDGE. Mr. President, I read for the information of those who listen a few paragraphs from that letter. Addressing Major Lanagan, the writer says:

DEAR SIR: While in Washington, D. C., recently, Mr. H. H. Harris, assistant city attorney, and the undersigned, interviewed Brigadier General Pillsbury, Assistant Chief of Engineers, regarding commencement of construction work on the breakwater extension for the protection of Los Angeles-Long Beach outer harbors, which project has been approved by the United States Government.

May I observe that there is what we call the inner harbor, and this breakwater has to do with inclosing what is termed the outer harbor. I read further:

General Pillsbury stated at the above interview that only lack of funds prevented the beginning of the work in question, and that as soon as sufficient funds were provided for this project that the work would be started at once, and the construction work would proceed without delay until final completion. He also stated that he thought it very important that a decision be reached as soon as possible regarding the type of breakwater to be used, and that the plans and specifications be completed, in order that there may be no delay in the commencement of the work following the appropriation of funds.

We outlined to General Pillsbury the necessity of the breakwater extension in order that proposed projects in the outer harbor might proceed without any undue delay, and he suggested that this data be presented to your office, together with the necessary maps, in order that you would have full information regarding the matter.

I have here before me one of the maps referred to in this letter, which makes the proposition to the eye, the mind, perfectly clear. He then says:

The three following outer harbor projects are active projects now under consideration by the harbor department, and are dependent to some extent on the breakwater extension.

He then takes up what is known as the Fish Harbor extension, and then he adds:

If it were known that the breakwater extension was to be started in the near future, the design of the Fish Harbor extension breakwater could be revised and a less expensive type of breakwater used, thereby effecting a considerable saving in same.

Further the writer says:

If it was sure the breakwater extension work would start in the near future, there is no doubt that the yacht-anchorage project would follow soon after, which would include dredging and filling, construction of wharves, riprap protection, and possible breakwater, besides private construction, with ship-repair yards, yacht club buildings, and other facilities required by the yachting interests.

He estimates that this private work, all carried on under local expense, would amount to fully \$4,000,000.

So, to repeat, inasmuch as the Federal Government has authorized, if it shall now appropriate this \$2,000,000 for this work, there will follow hard upon the expenditure of some \$4,000,000 for other near-by work, all of which will make in favor of permanent commercial interests and the interests of the Navy, and will immediately give employment to many men.

Under the law, as I understand it, there has been allocated out of the \$60,000,000 only \$250,000 for this breakwater work, and I submit that that amount is altogether too small. I should add that \$125,000 is allocated for maintenance. If this work is to be done, if it is desired, why should we not now appropriate \$2,000,000, and go forward, intelligently, economically, and all for the immediate good of those employed, for the immediate improvement of the harbor, for the benefit of commerce generally, and for the accommodation of the Navy? I believe that every man in the Navy, from admiral down, would say that it is desirable to have this anchorage within this inclosure, to the end that vessels of war may safely anchor there and not be subject to being kept under steam in the outer or deeper waters.

Mr. President, I have endeavored thus briefly to state the proposition. I repeat, the \$250,000 is wholly inadequate. I would emphasize that more, and certainly \$2,000,000 more, is needed; and I am hopeful that Senators will see the



problem as I see it, and will not be disposed to interpose any technical objection to this amendment, but will consider it on its merits.

I perhaps anticipate by saying that it is possible that there may be technical objection to the present consideration of the amendment on its merits, but it has such great merit that I think any Senator would be warranted in withholding any objection to its immediate consideration.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. I yield.

Mr. COPELAND. I was under the impression, when we were dealing with this item—and it is my own fault that I did not know better—that we had no appropriation for rivers and harbors in the bill. I thought the committee was quite justified in declining to accept the amendment proposed by the Senator from California because there were to be no river and harbor items. I was stupid about that, I know. Frankly, I can not see why this particular item is not on all fours with other items included in the \$60,000,000 appropriation. I simply speak of that because I think that was the attitude of some of the members of the committee.

The contention of the Senator, I take it, is that this is a river and harbor item which he proposes, a perfectly proper addition to the bill, because the bill includes various river and harbor items.

Mr. SHORTRIDGE. That is right.

Mr. COPELAND. But the objection to it, if I may ask the Senator from Pennsylvania, is that the Budget did not estimate for this?

Mr. REED. Mr. President, in the first place, the lump-sum appropriation for rivers and harbors includes \$250,000 for construction at this particular project, as well as \$125,000 for maintenance. It is included in the river and harbor item which the committee has reported.

The objections to this amendment are, first, that it was not included in the Budget estimate; and, second, that it is an item of appropriation for rivers and harbors, and therefore should have been submitted to the Committee on Commerce of the Senate at least one day before it was brought to the floor of the Senate.

Mr. COPELAND. Mr. President, may I ask whether that was done with reference to the \$60,000,000 item? Was that lump sum presented to the Committee on Commerce?

Mr. REED. No; that came as a Budget estimate, and is not put in as a new amendment in the Senate.

Mr. COPELAND. So this item proposed by the Senator from California is beyond the estimate of the Budget?

Mr. REED. Yes; it is over and above the Budget estimate, which was \$60,000,000.

Mr. COPELAND. And, in the opinion of the chairman of the committee, it will be necessary for the Senator to submit that item to the Committee on Commerce and also to the Budget?

Mr. REED. Yes; and, coming here at this time, it is out of order for both reasons.

Mr. COPELAND. Let me ask this question, if I may: Would the Senator be privileged to take these steps which have not been taken, and bring the matter to the attention of the Committee on Appropriations, when it is considering a deficiency appropriation bill?

Mr. REED. Oh, yes; it is possible, if he can get an estimate from the Budget, that he could get the item put into the second deficiency appropriation bill in the House, or offer it here as an amendment, after submitting it to the Committee on Commerce.

Mr. COPELAND. I am very much impressed myself with the propriety of the request and the importance of the appropriation. I did not realize that the technicalities perhaps had not been strictly observed.

Mr. SHORTRIDGE. Mr. President, I have taken the time of the Senate to say what I have said in order that Members might be advised as to wisdom of completing this authorized work. As will be recalled, I anticipated that there might be technical objections made to the present consideration of the amendment on its merits. I have done that thus briefly, first, to advise the Senate as to the merits of the matter,

promising that I intend hereafter, when other bills come before the Senate, to ask that this money be appropriated. But I do not understand that I have to do more than have an estimate from the Budget. I know of no rule which requires me to go before the Committee on Commerce and submit such a proposition.

Mr. REED. Mr. President, will the Senator yield?

Mr. SHORTRIDGE. Certainly.

Mr. REED. The second paragraph of Rule XVI of the Senate provides:

Amendments proposing new items of appropriation to river and harbor bills shall, before being considered, be referred to the Committee on Commerce.

Mr. SHORTRIDGE. Very well; but this bill is not technically a river and harbor bill. I think I have said enough to indicate the scope of the amendment. If the Senator from Pennsylvania feels inclined to invoke the rule by raising a point of order, I shall not further proceed.

Mr. REED. Mr. President, although I personally believe that the particular improvement is highly meritorious and desirable for both military and commercial reasons, nevertheless the proposition has been submitted to the Appropriations Committee, has been rejected by them, and in loyalty to that committee I feel that I must make the point of order, first, that it has not been estimated for; and, second, that the amendment has not been submitted to the Committee on Commerce.

The PRESIDING OFFICER (Mr. COUZENS in the chair). The Chair sustains the point of order.

Mr. MOSES. Mr. President, I offer the amendment which I send to the desk, to be inserted at the appropriate place in the bill, which I take to be on page 11, after line 21.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 11, after line 21, insert the following:

No appropriation for the pay of the Army shall be available for the pay of any officer or enlisted man in the Army who is engaged in any manner with any publication which is or may be issued by or for any branch or organization of the Army or military association of which officers or enlisted men have membership and which carries paid advertising of firms doing business with the Government: *Provided, however,* That nothing herein contained shall be construed to prohibit officers from writing or disseminating articles in accordance with regulations issued by the Secretary of War.

Mr. MOSES. Mr. President, I hope the Senator in charge of the bill may see fit to accept the amendment, because it deals with a vexed subject with which the Joint Committee on Printing has dealt for a great many years and has been unable to prevent the use of subterfuges to bring about violations of the plain intent not only of the printing act of 1895 but also of the legislation of 1919 which forbids the publication of periodicals of various natures by the governmental departments.

In 1919, following the legislation which was then enacted, the Joint Committee on Printing abolished all the departmental journals but gave each one an opportunity to take its case before the committee in order to be reinstated. The result was that out of something like 80 publications less than 30 were permitted to continue. Following that, various subterfuges were resorted to in order to continue the publication of some of the journals. I have in my hand sample pages from seven such publications. Some of them bear the line "Printed without expense to the Government." Some do not bear this line, and others evade the plain intent of the legislation of 1919 by seeking publication through associations.

Some of the publications are nominally published by associations, but we find upon investigation that 51 per cent of the stock of the association is owned by a printing company which secures the work of printing the publications and which employs agents to solicit advertising, putting the publications in competition with every other magazine in the country, and, more than that, seeking their advertising chiefly from concerns which do business with the Government. For instance, one of the periodicals makes no concealment of the fact because in an editorial it calls the



attention of big business to the fact that this particular branch of the Government is making purchases on an extensive scale and therefore it is wholly advisable for big business to take that into consideration.

Another burden placed on the Government by reason of the publications is that they all secure the preferential rate of postage; that is to say, they are circulated all over the country at the flat rate of 1¼ cents per pound, whereas magazines with which they come in direct and positive competition have to pay the zone rate upon their advertising contents. It is the old question which has been thrashed out in the Senate several times when postal rates have been under consideration.

I understand that some Senators may feel that the language of the amendment as I have presented it is somewhat drastic. I feel that it is a peculiar situation which requires a drastic remedy. However, in view of everything, I hope that the Senator in charge of the bill may accept the amendment and let it go to conference. Then it may be that any particularly drastic feature of the amendment can be remedied in conference.

Mr. REED. Mr. President, there are certain conditions which undoubtedly ought to be corrected. It seems to me it is manifestly improper for an officer of the Corps of Engineers to solicit advertisements from people with whom he is transacting business in the letting of contracts. It is obviously improper for an officer of the Quartermaster's Department, for instance, to solicit advertisements from people who are bidding on Army supplies or are supplying articles to the Army. That is one side of the situation.

On the other side the technical advantages, both to the writers and the readers of the articles in such magazine as the Field Artillery Journal, are very obvious and do not need to be expanded upon. It is very much to the good of the Army that professional information right up to date should be given by the current publication of the magazines.

I am hopeful, now that the matter has been brought to the attention of the Senate, that a regulation can be adopted by the Secretary of War which will have the effect of cutting out the abuses in this connection and of not depriving the Army at the same time of the advantage of the technical information which is supplied by the magazines.

I feel that I must, however, make the point of order against the amendment on the ground that it proposes general legislation and therefore is in violation of paragraph 3 of Rule XVI.

Mr. MOSES. Mr. President, I take the point of view that this is a limitation upon an appropriation and therefore is in order.

The PRESIDING OFFICER. The present occupant of the chair thinks the construction of the Senator from Pennsylvania is rather narrow and therefore rules against the point of order.

Mr. REED. I do not need discuss it any further. I hope the amendment will be accepted. We can consider the phraseology of it when we get into conference.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Hampshire is agreed to.

Mr. TYDINGS. Mr. President, I shall be very brief, but I would like to offer an amendment to the committee amendment, on page 44, line 1, to strike out the numerals "\$1,261,559" and insert in lieu thereof "\$1,681,559," and at the end of line 2 to strike out the period and insert a comma and add the words "and of which \$420,000 shall be available for gas masks."

The amendment has the approval of the Budget Bureau. It has the approval of the War Department. It is not contrary to the President's program. When the War Department appropriation bill was introduced in the House these items were included. The reason why the Chemical Warfare Service is particularly anxious to have the amendment incorporated in the bill is because they have developed a new type of gas mask, a mask which leaves the nose and the mouth free and gives greater usefulness to the eyes than the mask which is now being used for the Army. I want to

quote from a memorandum on this subject which illustrates the need for the mask:

In spite of the fact that we consider our mask to be the best military mask in the world, efforts are being made to provide a better one. We are seeking a mask which is smaller, lighter, and simpler. In addition to the service mask, development has been completed on special masks for voice transmission, and for use with optical instruments such as range finders, field glasses, and periscopes.

I may say, as one of those who had a small part in the World War, not to give my own experience, but as everyone knows, that the mere placing of a service gas mask on the head of a soldier reduces the mobility and usefulness of that soldier about 60 per cent. In the first place his nose is clipped together so he can not breathe through his nostrils. He has an instrument in his mouth over his tongue which greatly impedes his speech. He has two little goggles to look through, whether it be day or night, and upon that narrow range of vision is dependent his view.

We have perfected since the war a service mask which is very efficient in so far as it prevents death from poisonous gases. So far as we know, I am informed, there is no element likely to be used in warfare which our modern gas masks will not handle efficiently.

But the modern gas mask does not permit those in command to give commands because of the paraphernalia which it now contains. Neither can those who are wearing gas masks give orders nor can they work with facility on such matters as range-finding instruments or long-range glasses, and other impedimenta which are used in time of war. Obviously if we should have another war the gas mask is going to be just as important as the machine gun or the artillery piece, because none of these arms of warfare can be used without men are alive who can use them and who have mobility enough and use enough of their senses to handle them efficiently.

As I said, the amendment has the approval of the Budget Bureau. It is a part of the President's program. It has the approval of the War Department. I know that the Senator from Pennsylvania [Mr. REED] who is in charge of the bill feels more or less obligated to oppose it in order to keep faith with his committee. But in view of the fact that we had but a very short hearing before the committee, due to press of time, I make the request that he do not object too strongly to the incorporation of the amendment in the bill, and that he let it go to conference. If in conference the conferees feel that there is no need for the manufacture of 30,000 of these new gas masks, of which I understand we now have practically none, I shall not object to the Senator releasing the amendment from the bill. But I do feel, in view of the short hearing we had before the Committee on Appropriations, that it would be unwise for this matter not to receive a reconsideration by the conferees when they meet to consider the bill. I therefore hope that my amendment may be adopted as it is not out of line with the policy of the administration, or the recommendation of the War Department, or of the Budget Bureau.

Mr. REED. Mr. President, while it is true that the Senate committee had a comparatively brief hearing on this matter, it had the advantage of the rather extended inquiry which was made by the committee of the other House. It was brought out there that by the 1st of July of this year we shall have in storage 144,436 masks of the new type. While that is not enough, of course, to provide for a theoretical army of a million men, which we plan to raise in case of war, nevertheless it represents an increase of 20,000 during the present year; and the bill as reported by the committee provides for nineteen or twenty thousand more of these masks during the next fiscal year.

The Senate will understand that these masks are stored in hermetically sealed cans, and so do not deteriorate as fast as they would if they were in the open air. The masks cost about \$14 apiece when made in quantities, and the amendment of the Senator from Maryland would provide an additional 30,000 masks besides the 20,000 for which the bill already provides. Naturally, the War Department would be



glad to have them, and, personally, I should be glad to see them appropriated for, but the committee felt that the 20,000 provided for in the bill were sufficient, considering the nature of the times in which we are now living, and that 20,000 were all that we could reasonably make during the course of the next year.

I do not know what the House will agree to, of course, but I am in duty bound, in accordance with the decision of the committee, to oppose the amendment.

Mr. FLETCHER. Mr. President, may I ask the Senator from Pennsylvania a question?

Mr. REED. Certainly.

Mr. FLETCHER. It is a fact, is it not, that these masks do deteriorate notwithstanding they are inclosed in sealed cylinders?

Mr. REED. Nobody knows how fast they deteriorate, because all we have made since the World War are still perfectly good and serviceable, and it is hoped that their life will be very much extended by keeping them sealed in a vacuum.

Mr. FLETCHER. Improvements are still being made in them, I suppose?

Mr. REED. Oh, yes; and it may be that in another 10 years somebody will have developed a new mask, and the present mask will have to be changed entirely, or it may be that only the canister part will have to be changed. We can not tell about that. That is one reason why we do not want to launch too heavily into the acquisition of a particular type, because we might have to change them all. This mask, as stated by the Senator from Maryland, is a very great improvement over the mask that was issued during the World War.

Mr. TYDINGS. Mr. President, by way of further explanation, and in view of the interrogatory of the Senator from Florida [Mr. FLETCHER], I desire to say that my understanding is that we have practically none of the newer type of mask available and that the service mask does not have the considerable number of improvements of the new mask which has just been made, as will be seen from the memorandum which I just read and which was issued by the Chief of the Chemical Warfare Service, in which he says:

In spite of the fact that we consider our mask to be the best military mask in the world, efforts are being made to provide a better one. We are seeking a mask which is smaller, lighter, and simpler. In addition to the service mask—

Which is an excellent mask, and the mask to which the Senator from Pennsylvania, I think, mainly referred. The memorandum goes on to say—

development has been completed on special masks for voice transmission and for use with optical instruments, such as range finders, field glasses, and periscopes.

I may say that it is just as important for the Navy to have these gas masks as it is for the Army to have them; in fact, the Navy has already laid in a large supply of them.

Mr. REED. If the Senator will yield, the Navy have a supply of the new masks and have not given any orders to the Edgewood Arsenal for the production of any more during the current year. They have all they want.

Mr. TYDINGS. Mr. President, I think the attitude of the Senator from Pennsylvania toward this amendment has been more than fair, and I hope it may be adopted by the Senate. Even though it may be taken out in conference, I should like to have it inserted in the bill by the Senate so that a further hearing may be accorded. It has been indorsed by the Chief of the Chemical Warfare Service, and has the approval of the War Department, the Budget Bureau, and the administration.

The PRESIDING OFFICER. As the amendment of the Senator from Maryland is an amendment to the committee amendment on line 1, page 44, without objection, the vote whereby the committee amendment was agreed to will be reconsidered. The Chair hears no objection. The question now is on agreeing to the amendment proposed by the Senator from Maryland to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. KENDRICK. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 24, line 10, before the words "Provided further," it is proposed to insert the following:

*Provided further,* That of the amount herein appropriated \$69,745 shall be made available for the following construction at Fort Francis E. Warren, Wyo.: Additional wing, 80 by 30 feet, for each of five barracks, \$46,250; additional wing, 60 by 30 feet, for one barrack, \$7,920; addition to laundry, \$9,460; addition to central fire station, \$6,115.

Mr. KENDRICK. Mr. President, this amendment does not increase the appropriation to which it relates, but merely directs how the money already appropriated shall be expended.

Mr. REED. Mr. President, the amendment offered by the Senator from Wyoming is, in my judgment, not necessary; but I know of no other objection to it. It expresses the decision of the Appropriations Committee, which listed the purposes for which the money was to be expended at Fort Francis E. Warren. All that is accomplished by the amendment of the Senator from Wyoming is to make that plain on the face of the bill instead of requiring reference to the breakdown of the items in the list submitted by the Secretary of War.

I ought to explain that the Appropriations Committee did increase slightly the appropriation for housing at Fort Francis E. Warren, and did so because the original estimate was prepared with a view to the use of soldier labor in the construction of the buildings. For many reasons that has been decided to be undesirable, and the War Department is satisfied, in fact, is anxious to do the work with civilian labor. In the Appropriations Committee we so amended that item as to cover the increased cost.

The amendment offered by the Senator from Wyoming merely makes explicit the decision already reached by the Appropriations Committee. Consequently, I think it is not subject to a point of order, and I have no objection to interpose to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. BLACK. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

The Secretary of War is hereby directed to give a preference in the sale of electric power generated at the hydro plant or steam plant at Wilson Dam to States, counties, municipalities, or cooperative associations operated without profit. The Secretary of War is further directed to make contracts with such States, counties, municipalities, or cooperative associations for as long a period as 30 years, but any contract made with a person or corporation engaged in the business of selling and distributing power for profit shall contain a provision authorizing the cancellation of the contract with such power company, and the withdrawal of power sold to it, upon six months' notice in writing: *Provided,* such power is needed for sale to States, counties, municipalities, or cooperative associations not operated for profit or provided such power is needed for the manufacture of fertilizer or fertilizing ingredients by the Government nitrate plants at Muscle Shoals, or new plants erected by the Government or a lessee of the Government.

Mr. REED. I make the point of order that the amendment proposed by the Senator from Alabama modifies existing legislation.

The PRESIDING OFFICER. The point of order is sustained.

Mr. BLACK. I now move that paragraph 3 of Rule XVI be suspended in accordance with the notice heretofore given by me in writing, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Blease	Brucssard	Connally
Barkley	Borah	Bulkeley	Copeland
Bingham	Bratton	Capper	Couzens
Black	Brook	Caraway	Cutting
Blaine	Brookhart	Carey	Dale



Davis	Hawes	Moses	Stelwer
Deneen	Hayden	Norbeck	Stephens
Dill	Hebert	Norris	Swanson
Fess	Heflin	Nye	Thomas, Idaho
Fletcher	Howell	Oddie	Thomas, Okla.
Frazier	Johnson	Partridge	Townsend
George	Jones	Phipps	Trammell
Gillett	Kean	Pine	Tydings
Glass	Kendrick	Ransdell	Vandenberg
Glenn	Keyes	Reed	Wagner
Goff	McGill	Robinson, Ark.	Walcott
Goldsborough	McKellar	Schall	Walsh, Mont.
Gould	McMaster	Sheppard	Waterman
Hale	McNary	Shipstead	Watson
Harris	Metcalf	Shortridge	Wheeler
Harrison	Morrison	Smith	Williamson
Hatfield	Morrow	Steck	

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. REED. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REED. Is the motion of the Senator from Alabama to suspend the rules a debatable motion?

The PRESIDING OFFICER. Yes; that motion is debatable.

Mr. BLACK. Mr. President, I desire to call the attention of the Senate very briefly to the matter which is affected by my motion to suspend the rules.

Attention has been called in the Senate repeatedly to the fact that the Secretary of War is discriminating against municipalities in the purchase of power around Muscle Shoals. In other words, under this administration's ruling no one is permitted to buy power there except the Alabama Power Co. It does not make any difference how many municipalities apply, the Secretary of War under this administration will not sell power to any individual or corporation or municipality except the Alabama Power Co.

The only way in which that situation can be avoided, it would appear, is to place on an appropriation bill an amendment which would prohibit the Secretary of War and this administration from continuing any such unjust discrimination. It seems that the Muscle Shoals conferees have not agreed up to this time. Whether or not they will agree, I do not know; but if they do not agree, the Alabama Power Co. will continue to buy about one-fifth of the power at Wilson Dam. Under the ruling of the Secretary of War, although 80 per cent of the power is going to waste, no city within transmission distance of Muscle Shoals can buy power.

If there are Senators here who believe that this plant was built for the purpose of benefiting the Alabama Power Co., and who believe that this thing should continue in this way, then they should vote against the motion to suspend the rules. That is the issue. Let there be no mistake about it.

About 80 per cent of the power is going to waste at Wilson Dam. One-fifth of it is being sold to the Alabama Power Co. at 2 mills per kilowatt-hour. If this amendment or some other law is not passed at this session then it will be too late to get any law passed unless it is on an appropriation bill, or unless the conferees agree. If some action is not taken, the Senate and the House will place the stamp of approval upon continuing the policy of denying to municipalities the right to buy the power which is going to waste at Muscle Shoals.

I do not believe, I can not believe, that the Senators on either side of this aisle approve such a policy. Twice they have passed unanimously a joint resolution which expresses their sentiment. If that is really their sentiment, and if they are really in favor of letting municipalities buy the power which is going to waste, they will vote to suspend the rules in order that my amendment may be offered.

It may be that the language of the amendment I offer is not satisfactory to some of the Senators. If it is not satisfactory, after the rules have been suspended, the Senate can amend the amendment. Unless, however, we succeed in placing it upon the appropriation bill we will continue to tolerate a system which permits millions of dollars to be lost by the Government simply because the administration in power to-day is opposed to utilizing the people's property for the people's benefit.

That is the issue. I have moved to suspend the rules. If the rules are suspended, and any Senator is dissatisfied with the wording of this amendment, he can change it; but we can place it on the appropriation bill, and it will become the law. May I call attention also to the fact that I have preserved the rights of the Government in so far as the use of the power for fertilizer is concerned. If the bill is passed, and the conferees agree, the power will still be left there for the manufacture of fertilizer; but if the Senate wants to place the stamp of its approval on the policy of the Secretary of War—which, of course, is the policy of the administration—of denying to municipalities the right to buy their own power, and admitting that the Alabama Power Co. should have a monopoly of purchasing all of this power at a low rate, then they should vote against the proposition to suspend the rules.

After the question has been discussed by those who desire to do so, I shall ask for the yeas and nays.

Mr. REED. Mr. President, just a word about the suggestion of the Senator from Alabama. His amendment proposes, in effect, that these three cities of Sheffield, Florence, and Muscle Shoals shall have a preference in the purchase of power.

I am not going to waste one minute of the Senate's time in discussing the advisability of peddling power at retail to those towns. Maybe that is wise; maybe it is not; but I shall not stop to discuss it. I merely wish to call attention to the practical working of this amendment.

There are eight turbogenerators at Muscle Shoals. Four of them have a capacity of 25,000 kilowatts and four of them have a capacity of 32,500 kilowatts; that is to say, the capacity of the smallest generator there is 25,000 kilowatts. At the very peak the maximum amount that would be taken by the town of Muscle Shoals, at the peak load, would be only 500 kilowatts. The load that would be taken by the town of Sheffield would be 3,000 kilowatts and the load taken by the town of Florence would be 1,500, a total of exactly 5,000 kilowatts at the very peak of the load.

One of those generators can not be run at less than 50 per cent of its capacity without ruining the generator, and, as I have said, the capacity of the smallest one is 25,000 kilowatts. If that generator is run at less than 12,500 kilowatts, it will be ruined in very short order. Yet the very peak load at the high point of the 24 hours which would be taken by all three towns if they bought every speck of their current from Muscle Shoals is only 5,000 kilowatts. So that the adoption of the amendment and the coupling up of that service to those three communities must inevitably ruin the machinery we have put in there at great expense to handle the business. For that reason I hope the Senate will not see fit to suspend the rule and will not see fit to adopt the amendment.

Mr. SMITH. Mr. President, may not the amendment be read? I was necessarily absent on some departmental business when it was offered and I would like to know what it provides.

The PRESIDING OFFICER. The motion is to suspend the rule. The rule sought to be suspended will be read.

Mr. SMITH. I would prefer to have the amendment read before I decide as to whether I will vote to suspend the rule or not.

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk read Mr. BLACK's amendment, which proposes to insert in the bill the following:

The Secretary of War is hereby directed to give a preference in the sale of electric power generated at the hydro plant or steam plant at Wilson Dam to States, counties, municipalities, or cooperative associations operated without profit. The Secretary of War is further directed to make contracts with such States, counties, municipalities, or cooperative associations for as long a period as 30 years, but any contract made with a person or corporation engaged in the business of selling and distributing power for a profit shall contain a provision authorizing the cancellation of the contract with such power company and the withdrawal of power sold to it upon six months' notice in writing, provided such power is needed for sale to States, counties, municipalities, or cooperative associations not operated for profit or provided such power is needed for the manufacture of fertilizer or fertilizing ingredients



by the Government nitrate plants at Muscle Shoals, or new plants erected by the Government or a lessee of the Government.

Mr. BLACK. Mr. President, I do not care to take more than one moment to reply to the statement of the Senator from Pennsylvania.

Of course, when a municipality wants power, it will destroy the turbines to sell it to them. If a power company wants power, it improves the turbines. It depends on whether the power is ultimately to be consumed by municipalities, or whether it is to be distributed to a power company line. That is the test as to whether it is practicable or not to operate the plant. That is what the proposition narrows down to.

It may be possible that if some of this power should be sold to municipalities it would wear out the plant. I can not say as to that. But it strikes me that the plant would likewise be subject to wear and tear if the power should be sold to the power company.

Of course, if Senators believe the argument made by the Senator from Pennsylvania, that it would be very injurious to the power plant to sell the power to the municipalities, but very beneficial if it were sold to the power company, then they should vote against suspending the rule. That is the issue.

Mr. BLAINE. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. BLAINE. I understood from the remarks of the Senator from Pennsylvania that if one of these generators, whose maximum capacity is 25,000 kilowatts, is run at a capacity of only 12,500 kilowatts, that would destroy the generator. Is that correct?

Mr. REED. Yes; it wears it out very fast.

Mr. BLAINE. But I understand that all the amendment offered by the Senator from Alabama proposes to do is to give preference to municipalities, and if that is correct, the municipalities might take 5,000 kilowatts and the power company take the other 20,000 kilowatts. So that there is no danger of destroying the generators at the plant. Am I correct in that?

Mr. BLACK. Mr. President, the Senator is correct in that. It might be stated also that the mere fact that the Senator from Pennsylvania has secured some figures as to what the municipalities at Muscle Shoals are using—I presume that is what he has done—is no indication that they will not buy more power if they can get it at a cheap rate from the Government. We know that one of the objects of this entire proposition is to produce power so as to use it as a measuring rod, and so that it can be generated and distributed more cheaply. I have no doubt but that more power will be used by the municipalities than is indicated by the figures given by the Senator from Pennsylvania. But in spite of that fact, the wheels have been turning for the power company, to suit their convenience. Of course, it may be all wrong to let these municipalities buy directly from the Government instead of making them buy from the power company and pay them a tremendous profit. If it is wrong, then Senators should vote against my motion to suspend the rule. On the contrary, if they believe that a municipality has as much right to purchase power from the Government's own property as the power companies have, then they should vote to suspend the rule.

Mr. BLAINE. Mr. President, will the Senator yield further?

Mr. BLACK. I yield.

Mr. BLAINE. As I understand the situation, the only objection to this amendment on the part of the Senator from Pennsylvania is that these municipalities will not take sufficient electric energy; but, as I understand it, they are merely given the preference, and they may take a thousand kilowatts, or 10,000 kilowatts, or 20,000 no matter what the capacity is, but they shall be entitled to receive that electric energy before it is contracted to a private company.

Mr. BLACK. The Senator is correct. Of course, if the power company has a bona fide need for this power, and is buying it to supply that need, and not merely for the purpose of preventing the municipalities from obtaining it, the power

company would continue to purchase in the future as it has in the past.

Mr. SMITH. Mr. President, will the Senator from Alabama yield to me?

Mr. BLACK. I yield.

Mr. SMITH. I want to ask the Senator whether, under the present law, the Secretary of War has not the power to contract with these municipalities and political divisions as he does with the power company?

Mr. BLACK. He could do so, but he will not. That is the trouble. They have asked him to make contracts with them. They have offered to buy the power, but he will not sell it to municipalities. He sells it only to the power company.

Mr. SMITH. Has any reason been given as to why he refuses to sell it to municipalities?

Mr. BLACK. I placed in the RECORD about three months ago three different reasons that had been given. I placed them in parallel columns in the RECORD in order that the Senate might see how conflicting and inconsistent the reasons are. He has given three different reasons.

Mr. SMITH. Under the terms of this proposed amendment does the Senator consider the provision would be mandatory upon the Secretary of War?

Mr. BLACK. I will state to the Senator that I intended for it to be mandatory, because I think if it is not mandatory he will not sell the power to municipalities. But, as I stated a few moments ago, if the Senate suspends the rule, and any Senators are not satisfied with the language of the amendment, it would come before the Senate for consideration, and any modification might be urged.

Mr. SMITH. The Senator thinks the objection raised by the Senator from Pennsylvania, that the sale of a small amount of power would endanger the mechanism of the generator, by not requiring that it run up to at least half the capacity, can be obviated by allocating to the municipalities a certain amount of power, and then selling to others a sufficient amount to insure the generator running to at least half its full capacity?

Mr. BLACK. I may state to the Senator that I am satisfied that the idea that the Government would be injured by selling to the municipalities is based wholly on a wrong foundation. I have investigated the matter. The amounts they have sold to the power company have fluctuated. The company buys the power as it pleases. I doubt whether there is another power company in the United States that has the same sinecure the Alabama Power Co. has at Muscle Shoals.

Mr. SMITH. I am asking these questions for information. Does the contract which the power company has made with the Secretary of War specify the minimum amount they shall get? I should imagine it would be necessary, under the suggestion made by the Senator from Pennsylvania, if they contract, to at least contract for a sufficient amount to preserve the machinery.

Mr. BLACK. I do not have the agreement here with me. I have it in my office. I will state that it has been changed several times. But they do not contract for a regularly stipulated amount. They take the power as they need it. Of course, if they were operating their own plant, they would be at the expense continuously of keeping up the plant, but with reference to the Government plant, they are not out that expense. They buy the power as they need it, and the Government maintains the plant while it is not being used. My amendment gives a preference to municipalities. Of course, if the point should be reached when the municipalities and the fertilizer manufacturers consumed all the power, there would no longer be any question about the minimum or maximum amount.

Mr. SMITH. The Senator provides in the proposed amendment that in case a contract is made for the manufacture of fertilizer and fertilizer ingredients, if all the power is needed for that contract, the contracts with the municipalities shall be canceled?

Mr. BLACK. I provide that if the power is needed, contracts with the private power companies can be canceled. I have no objection to any system which would be necessary



in order to protect the Government's rights with reference to power to be used for the manufacture of fertilizer.

I will call the Senator's attention to this fact. As stated by the Senator from Nebraska this afternoon, it is a fact that if no transmission lines are built, it goes without saying that the power will not go very far, because it would be too expensive for municipalities to build transmission lines. So far, therefore, as this provision is concerned, I think the Senator need have no fear at all that enough municipalities would buy to reduce the power sufficiently to imperil the manufacture of fertilizer.

Mr. SMITH. Mr. President, I had that in view when I asked the question, because if these municipalities, in order to avail themselves of this opportunity, should build transmission lines, and set up the necessary machinery, which I understand is costly, and then subsequently a contract be made for the manufacture of fertilizer and fertilizer ingredients, the power necessary to produce it might take all the power generated at Muscle Shoals. Just what provision is there in this proposed amendment to cancel the contracts after these parties have gone in and built transmission lines to avail themselves of the power?

Mr. BLACK. I may state to the Senator that I have no provision to cancel the contracts of municipalities.

Mr. SMITH. I see the Senator has mentioned as long a period as 30 years.

Mr. BLACK. That is correct. Such a provision is necessary if power is to be sold to municipalities.

I may state this, in answer to the Senator's question, that if there are any questions with reference to the wording of the amendment, and any desire to further protect rights, those matters can be passed on after the motion is voted on. I have drawn the amendment to meet the situation.

One objection which I think perhaps will require a change if the Senate votes to suspend the rules has already been raised. An objection has been made to the idea of giving cooperative associations preference. I inserted that provision because I understood that in general it was in line with the provisions of the bill which the Senate passed. Personally I have no desire to keep it there if any substantial number of Senators want to change it. I would like, however, to have the rules suspended so that we may vote on the amendment after making such changes as may be necessary in order fully to protect our rights, and to prevent a continuation of the manifest injustice on the part of the Secretary of War in selling power to power companies and not selling it to municipalities.

Mr. SMITH. Mr. President, I join with the Senator from Alabama in protest against the Secretary of War or those in authority selling the power to power companies and, if he is correct, in denying the municipalities a participation in it. But I do not like the idea of taking the plant which was dedicated in the original act for the benefit of agriculture and for the manufacture of fertilizer and fertilizer ingredients and seriously talk about the disposition of the power produced there until we have settled the question of whether or not we are to make an honest, straight attempt to produce that for which the money has been spent, namely, fertilizer and fertilizer ingredients.

We have had before the conference committee the question of the practicability of producing these ingredients and not a scintilla of evidence has been produced that they can or that they can not be produced. It has been a bare statement, and the fight in the conference committee has raged around whether or not we will convert it into a chemical plant or a power plant. The question of producing that for which it was dedicated has been subsidiary to those two contending forces—power and the manufacture of some by-product, or the operation of the plant as a chemical plant.

I can not understand why the Congress can not at least give the opportunity to the farmers of the country and to those who are interested in their welfare of demonstrating whether or not the plant can be devoted to the manufacture of those elements upon which the great coastal plain from Maine to Florida is dependent, and yet every one of the Senate conferees will bear me out when I say that every time we have come to a proposition looking toward an honest,

open, aboveboard attempt to convert the power into the elements necessary to aid agriculture, we have never been able to move one inch. We thought we had agreed. We thought we had the matter to the point where we would have an honest experiment as to whether or not these ingredients could be produced in such quantities and at such price as would be of benefit to agriculture. No honest attempt has been made to do that thing.

There is not a man on the floor of the Senate who can say whether or not, under conditions existing at Muscle Shoals or that could be made to exist there, those ingredients could be made in such quantities and at such prices as would be of benefit to agriculture. The question has revolved around power or has revolved around the production of something else that might be more profitable, not to the public at large but to the lessee. It has been said that we could not get a contract unless we were to hold out some inducement in the form of chemicals or the sale of power.

We are bound morally and legally to make the attempt to produce that which will be of benefit to agriculture. I had the honor of being the author of the original bill upon which all the subsequent appropriations have been based and that wonderful plant developed. It was for the purpose of producing fertilizer ingredients during times of peace and munitions of war during times of war. Now we have seriously attempted to convert it into either a power plant or a chemical plant, both of which have been developed and need no experimentation, both of which are known and standardized. Why do we not take this property for the purpose for which it was dedicated and make the attempt at Muscle Shoals to produce nitrogen, phosphoric acid, and potash? All the scientists and chemists tell us that processes have been so perfected that one unit of ingredient can be produced now with one-tenth of the power that it took under the old arc process or the cruder processes in the infancy of this art. And yet every attempt on the part of those who want to bring into actual existence the purpose for which the plant was dedicated, and \$150,000,000 of the money of the people was poured into it for the purpose of aiding agriculture, has been thwarted, and we have frittered away all these years and all this time because we have been bound by the interests of those who, not in the interest of agriculture but in their own selfish interest, propose to take even this unit for their benefit.

There are plenty of plants throughout the country creating power for commercial purposes. We do not need to experiment there. There are plenty of chemical plants that are producing chemicals. We do not need to experiment there. But there has been no plant dedicated to the purpose of producing those elements for which this plant was dedicated.

Now, at this late day, we are met with the idea that the Government should not go into business. The Government built the plant. It is our property. It was dedicated for a specific purpose known and proclaimed in its incipency, and yet we are now attempting by piecemeal to so dissipate this wonderful opportunity to aid agriculture that we are likely to wind up with it being a theoretical fertilizer producer, but in fact a chemical and power plant.

Mr. President, I would much prefer having the measure come to the floor of the Senate and upon its merits and not have it in a contingency as it is now before us. I would prefer it as an actual proposition to determine whether or not we shall rededicate the plant to agriculture and stand resolutely by our first commitment to instruct the Secretary of War or those who have it in charge to proceed at once to the manufacture of these ingredients. If it was to cost the Government an extra \$100,000,000 it would be worth it to demonstrate whether or not the scientists in this particular field can produce these ingredients so much needed by the farmers of the country and to the production of which this plant was dedicated and intended to be used.

Yet with all these facts developed before us we are here bickering as to whether or not a power company shall have the benefit of the people's money or whether a chemical plant shall have it. I protest in the name of common honesty that we should give the process a fair trial. Talk



about the Government in business—the Government owns the plant. The Government built it. I submit that it is more the duty of the Government to carry out the plan for which the money was appropriated than to take it upon a subterfuge and after we are ready to demonstrate whether fertilizer can be produced or not, then turn the plant over into the hands of those who are as far removed from agriculture as the poles are apart. I would prefer to have the measure to come up on its own merits as to whether or not Muscle Shoals shall be dedicated to the production of that which will aid and benefit agriculture rather than for the benefit of those who are already engaged in a standard business.

Mr. BLACK. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH. I yield.

Mr. BLACK. I agree with the Senator fully that the plant should be dedicated to fertilizer. The Senator, of course, is aware of the fact that he and I have stood together on that point ever since I have been in the Senate. That is my idea exactly. But is there any chance that we are going to have an opportunity to vote on what the Senator is discussing?

Mr. SMITH. I state here and now that before the Congress adjourns we will have an opportunity, in the Senate at least, to vote on the question of whether or not the power at Muscle Shoals shall be rededicated to the manufacture of fertilizer and fertilizer ingredients. I with others have been in this fight ever since I introduced the original bill during the war period. No sooner was the war over and the possibilities of Muscle Shoals made apparent than certain interests began defeating every attempt to put the plant into operation in accordance with its original dedication.

I do not believe it is possible in this session of Congress to enact a law or to reach a compromise that will be of any benefit or any hope to the farmer, but that does not discharge my duty. I am not going to vote for the dissipation of this power for any other purpose in the world than that for which it was dedicated. I am not going to do it. It would not be honest to myself or honest to those in whose favor we passed the original bill. No; I shall not be a party to it, and so long as I have a voice and a vote in the Senate I am going to speak and vote to keep it to its original purpose.

What do we want with power? There are enough power plants to supply all the needs for power. The methods of production are standardized. What do we want with a chemical plant? That is all right, too. Everybody understands that perhaps no other branch of science has reached the state of perfection that chemistry has reached. The marvels which have been accomplished through the use of coal tar stand unequalled in the performance of miracles by science. The country at large wants to embrace this one chance, this one hope of the farmers along the Atlantic seaboard, whose soil is not productive except with the aid of artificial fertilizer. We have spent \$150,000,000 to develop the dam and to develop the power—for what purpose? For the purpose of determining the feasibility of producing fertilizer and fertilizer ingredients.

I want to ask the Members of the Senate how many dollars do they suppose would have been appropriated and how many votes would we have gotten if we had proposed to develop Muscle Shoals at the expense of the Government and then lease it to a power company? How many votes would we have gotten and how much money would have been appropriated if we had, as a primary proposition, come here and said we wanted to develop that wonderful source of electrical energy for the purpose of creating power on the one hand and for the purpose of producing chemicals on the other. The only reason the appropriation was obtained and the only reason the plant was erected was that those who favored the legislation came here and appealed in the name of distressed agriculture. It is the duty of every man here, as I see it, to adhere to that idea or else

admit that interested parties have the power of controlling the Senate and the House of Representatives; and it seems to me as if they have done so up to the present time, first on one plea and then on another.

Mr. BLACK. Mr. President, will the Senator from South Carolina yield to me?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH. I do.

Mr. BLACK. I will state to the Senator that I have already drawn an amendment, on which, unless there shall be too much dissension among those who are favorable to Muscle Shoals, I expect to move a suspension of the rules and request a vote, providing substantially for what the Senator has agreed to in the conference with reference to the leasing of the plant.

I may state to the Senator that, so far as I am concerned, I feel perfectly hopeless about the conferees reaching an agreement. They have been meeting now for practically a year and the end of the session is drawing very near. If, however, we can get a two-thirds vote to suspend the rules on a leasing proposition such as the Senator has agreed to, and then adopt a provision such as I have offered for the disposition of the surplus power, we can secure legislation; but we can not do it, of course, unless we vote for each of the measures as they come up.

I agree with the Senator fully as to the production of the fertilizer proposition; there has never been any disagreement as to that. I have insisted that the power should be first dedicated to that purpose, and I still believe that should be done. That is the reason I have prepared both these amendments, with the hope that since the conferees can not agree, we may put them on an appropriation bill and secure some legislation. Nothing has come out of the conference committee on the Muscle Shoals measure. Perhaps we can secure action through a conference committee on another bill. Let them see if they can agree, since the conference committee on the Muscle Shoals joint resolution has not agreed. If the amendment which I have offered should not be satisfactory with reference to the protection afforded, in connection with the other amendment, it could be easily modified. There would be no difficulty about that.

However, I propose exactly what the Senator does. I stand first for the manufacture of fertilizer and its ingredients. I am willing to have it manufactured by the Government or by a lessee; but then I oppose letting the surplus power be given away to the Alabama Power Co. while municipalities beg for it and can not get it. I would preserve the nitrate plant, and I agree fully with the views that the Senator has expressed as to making that the primary purpose.

Mr. SMITH. Mr. President, I am not so greatly enamored of the leasing proposal, but I would even be willing to try that under proper restrictions. I believe, however, there should be a determination on the part of the Government whether or not these ingredients may be manufactured by the process to be employed in such quantities as to be of benefit to agriculture. Then I do not know that I would object to the leasing process. I believe the Government ought to take its own property, dedicated to the benefit of disorganized and helpless agriculture, and demonstrate beyond peradventure whether or not that for which it was dedicated is feasible. After that point has been reached, and the feasibility of the plan has been demonstrated or otherwise, the terms of a lease could not be so much a question.

Mr. BLACK. Mr. President, will the Senator yield to me again right at that point?

Mr. SMITH. I yield.

Mr. BLACK. I should like to state to the Senator that in order that we may have a chance to vote on all the propositions I have also prepared an amendment—and I am going to send it to the desk and have it read, and give notice of a motion to suspend the rule—providing for Government manufacture of fertilizer at Muscle Shoals.

I say I have taken the language from the original amendment offered by the Senator from Arkansas [Mr. CARAWAY]



to the bill which was passed. Then, in order that we may have a chance to vote on the other proposition, I have also prepared, and shall give the proper notice, of an amendment regarding leasing the plant, which will exactly carry out the ideas which, I understand, the Senator has fought for in the conference committee.

The amendment may not be in the exact language he would favor, but if it is not in correct language it can be modified. It is, however, my intention that the Senate shall vote on a motion to suspend the rule with reference to two things: The first amendment I have offered will show how the Senate stands on the question of the disposition of the power, whether the Alabama Power Co. should have it or the people should have it. Another amendment is intended to provide for Government operation of the plant, which the Senator says he favors. A third amendment provides for leasing the plant, which some others favor. In other words, since the conferees have not agreed and since I see no prospect of their agreeing, I am going to take the only chance I have, even though it is difficult to get a two-thirds vote—and I will probably not get it—to secure a vote on all these amendments, and, with the Senator's permission, I should like to send to the desk at this time a notice to suspend the rules.

The PRESIDING OFFICER. Does the Senator from South Carolina yield for that purpose?

Mr. SMITH. Mr. President, I will only take about a minute or so more to voice my sentiments on this question.

In all of our attempts to compromise we have been met with the statement "You have got to hold out some other inducement in the form of by-products or a limitation of the amount produced, of fertilizer to be produced, or some form of subsidy, or you can not get a lessee." At every turn the suggestion has been made that unless concessions are offered, unless indirect bonuses are given to those who might lease the plant a lessee can not be obtained. I believe that the Government ought to proceed to develop this process and when it has demonstrated whether it can or can not be employed profitably for agriculture, then I do not know whether I should offer any objection whatever to a lease, because then it would have been demonstrated whether the use of the plant as proposed was feasible or whether it was not.

However, we have been met at every meeting of the conferees with the suggestion that it is not feasible unless a bonus is offered or some other inducement is provided that might make the plant profitable.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield to a question?

Mr. SMITH. I yield.

Mr. ROBINSON of Arkansas. I have heard the statement repeatedly made that the development of methods for the manufacture of fertilizer or its elements has gone forward so rapidly during the last 10 or 15 years that it is beyond probability that the processes and agencies which can be utilized at Muscle Shoals will enable either the Government or a private lessee of the Government to produce fertilizer or its constituents in competition with private plants such as exist, for instance, in the State of Virginia. The declaration has been made that such production has already been demonstrated to be a scientific impossibility. I am wondering if the Senator from South Carolina or the Senator from Nebraska, who are both very familiar with this subject, can make clear the facts with respect to that situation. In other words, those who oppose any utilization or substantial utilization of the resources at Muscle Shoals in connection with the production of nitrates do so on the ground that experimentation there would prove fruitless; that facts and circumstances within the knowledge of persons who are familiar with the subject lead inevitably to the conclusion that any experimentation there would disclose the inability to produce at a reasonable cost in comparison with other plants.

Mr. SMITH. I think the Senator from Arkansas will agree with me that such an argument answers itself. In other words, they say, "The process of extracting nitrogen from the air has been so cheapened, why dissipate this great

concentrated power when 1 unit of power now will produce 10 units of nitrogen, whereas before 1 unit of power would produce only 1 unit of nitrogen?" That simply proves that the capacity of Muscle Shoals to produce nitrogen has increased ten times; in other words, with that power now there can be produced ten times the original estimate of what it would produce. Yet they say, "Since it has become so prolific in its productive capacity, why not use a steam plant using coal, which is cheap?" Nothing in the world, however, is cheaper than water power.

Mr. ROBINSON of Arkansas. Will the Senator yield again?

Mr. SMITH. Yes.

Mr. ROBINSON of Arkansas. The Senator's statement does not quite answer the inquiry I had in mind, whether I made it clear to him or not. The declaration to which I have referred—and I have heard it made often—is that the cost of production of nitrates at Muscle Shoals, because of physical, natural, and other causes, is inevitably so much greater than it would be at the big plant down in Virginia, for instance, that it would be fruitless to carry on an experiment.

Mr. SMITH. I suppose, Mr. President, that those who made that statement had reference to the more or less obsolete form of the plant at Muscle Shoals, but if the Government were to avail itself of an up-to-date process for the production of fertilizer ingredients there is no reason in the world why they could not be produced as cheaply as or cheaper than at any other place. The process is being perfected daily, and if the Government were to avail itself of the geniuses at its command both in the chemical and in other fields there is no reason why at Muscle Shoals there could not be demonstrated to the world the feasibility of producing a sufficient quantity of these elements for the benefit of agriculture to relieve to a great extent present unfavorable agricultural conditions.

Mr. NORRIS. Mr. President, if the Senator from South Carolina will permit me, inasmuch as the Senator from Arkansas referred to me by name, I should like to say that I do not entirely agree with the answer the Senator from South Carolina has given. I do not want to interfere with the Senator's discussion or at this time to enter into a debate—

Mr. ROBINSON of Arkansas. I am not seeking to provoke a controversy or prolong any controversy, but I should like to have the views of the Senator from Nebraska on the point I have suggested.

Mr. NORRIS. I do agree that, with perhaps one exception, the experimental plant for the production of nitrogen could just as well be maintained at Muscle Shoals as at any other place; but I contend it would still cost a little more, because the raw product now used is coke rather than power. As the Senator has said, there has been almost a revolution in the method by which nitrogen is extracted from the atmosphere. Originally under the old arc process practically the only large expense involved was power. Then came the cyanamide process. There are many who do not agree with me as to that, and, of course, we all base our opinion on what the scientists tell us.

I think that the present plant, for instance, is antiquated, and that even under the cyanamide process it would be necessary to spend several million dollars to remodel that plant so as to bring it up to date. That is not saying a word of criticism against those who devised and built the plant. It was up to date at that time. Since the war, however, we have learned, and our scientific men, just as well as the scientific men of other parts of the world, have discovered and even have improved upon the method that Germany followed, which is a different process from the cyanamide process, and the principal expense of which is for coke. Power is only an incident. All that power is needed for is to operate the machinery. Power is not one of the primary things that is used to produce the nitrogen from the atmosphere.

The facts are that at Muscle Shoals there is no coal; there is no coke. It has to be shipped in. If that plant were operated as an experimental plant in the fertilizer world it



would make very little difference about that, because we could compute mathematically how the extra cost came and what it was. So that an experimental plant could be carried on there, if we were trying to cheapen the production of fertilizer, practically as well as anywhere else.

Mr. SMITH. Mr. President, I shall not enter into a discussion of this subject now. I shall at the proper time. I think it will be found, however, that the superheat comes from the use of coke, just as in smelting irons; but the power that is generated there, I think, would be quite as cheap as that.

Mr. President, I have said what I desire to say at this stage. I shall wait and see what action the Senate takes on this question when the several amendments proposed by the Senator have been before the Senate. At the proper time I shall take the floor to discuss them as they come up.

Mr. REED obtained the floor.

Mr. HARRISON. Mr. President, will the Senator withhold making a motion for recess for just one moment?

Mr. REED. I yield to the Senator, if the matter he has in mind is not too long.

Mr. HARRISON. It is not long at all. I simply wish to give notice, under the rules of a motion to suspend the rules, in order to permit the offering of an amendment that I desire to offer to this bill. Does the Senator intend to move a recess or an adjournment to-night?

Mr. REED. I expected to move a recess until 12 o'clock to-morrow.

Mr. HARRISON. Then, I ask unanimous consent that so far as this amendment is concerned, the word "day" be applied to the calendar day, so that the point will not be raised that it is a legislative day.

Mr. REED. I think that is what the rule means, anyway.

Mr. HARRISON. I think so, too; but I do not want any complication about it.

The PRESIDING OFFICER (Mr. Brock in the chair). The notice will be read.

The Chief Clerk read as follows:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraphs 1 and 3 of Rule XVI for the purpose of proposing to House bill 15593, the War Department appropriation bill, the following amendment:

On page 74, line 19, before the period, insert a colon and the following:

"Provided further, That the conditions imposed upon the improvement of Biloxi Harbor, Miss., authorized to be carried out in accordance with the report submitted in House Document No. 754, Sixty-ninth Congress, second session, are hereby modified so as to provide that the local interests shall give assurances that they will construct a public terminal adequate for coastwise traffic, under plans to be approved by the Chief of Engineers of the War Department, whenever in his opinion such construction is necessary, and that such local interests shall contribute therefor \$5,000 toward the first cost of the improvement and \$5,000 annually thereafter for five successive years."

The amendment intended to be proposed by Mr. HARRISON and incorporated in the foregoing notice was ordered to lie on the table and to be printed.

Mr. HARRISON. Mr. President, was there any objection to my request for unanimous consent to apply to the calendar day?

The PRESIDING OFFICER. Without objection, the request is agreed to.

Mr. McNARY. Just a moment, Mr. President. What was the request?

Mr. HARRISON. I merely did not want anyone to raise the point that the rule applied to a legislative day. As I understand, a recess is to be taken; and I have asked that the word "day" apply to the calendar day so far as this amendment is concerned.

Mr. McNARY. The Senator is not asking for action of any kind?

Mr. REED. The Senator from Mississippi is simply giving notice one calendar day in advance of his intention to move to suspend the rules. I think that is what the rule means, anyway.

Mr. HARRISON. I think so, too.

Mr. BLACK. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. REED. I yield to the Senator from Alabama.

Mr. BLACK. I send forward notice that I shall move to suspend the rules in order to offer two amendments. One of them is rather long; and, unless it is requested, I ask unanimous consent that the reading at this time be waived and the amendments printed in the RECORD, with the notices applying to the two amendments.

The PRESIDING OFFICER. Without objection, that will be done.

The notices and amendments are as follows:

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 3 of Rule XVI, for the purpose of proposing to the bill (H. R. 15593) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes, the following amendment, viz:

At the proper place in the bill insert the following:

"The Secretary of Agriculture and the Secretary of War are authorized and directed to utilize nitrate plant No. 2 in the production of fertilizers by the use of the cyanamide process, to determine whether it is or is not commercially feasible to produce fertilizers by such process. If the Secretary of Agriculture and the Secretary of War determine that it is commercially feasible to produce fertilizers by the cyanamide process, then such plant shall be used for the production of fertilizers by such process in the largest quantities practicable and the fertilizers so produced shall be disposed of at the lowest prices practicable, to meet the agricultural demands therefor and effectuate the purposes of this act. In the utilization of nitrate plant No. 2 the Secretary of Agriculture and the Secretary of War shall avail themselves of such power as may be needed for producing nitrates and fertilizers."

Pursuant to the provisions of Rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 3 of Rule XVI for the purpose of proposing to the bill (H. R. 15593) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes, when the same is taken up for consideration, the following amendment, viz:

At the proper place in the bill insert the following:

"(a) Subject to the approval of the President, the Secretary of War is hereby authorized to lease, either separately or as a whole, nitrate plants Nos. 1 and 2 (including the Waco limestone quarry), together with all tools and machinery, equipment, accessories, and materials belonging thereto (except power plants) necessary for the fixation of nitrogen or the manufacture of fertilizer and its ingredients and products incidental thereto, and upon such terms and conditions as the Secretary of War, with the approval of the President, may prescribe, subject to the following qualifications:

"As soon as possible after the passage of this act the Secretary of War shall proceed to give notice, in the manner best calculated to inform the public, that he will receive offers to lease such properties in accordance with the provisions of this section. The Secretary of War shall lease such properties to the person who in his judgment is best qualified to carry out the purpose of this act and to manufacture and sell fertilizer and fertilizer ingredients at reasonable rates. Any such lease shall provide that the lessee shall manufacture and sell commercial fertilizer in large quantity production at a price not in excess of 8 per cent above the cost of production, manufacture, and sale.

"(b) Any such lease shall provide that the lessee may, without additional rental, have the use of such additional land at or near Muscle Shoals as may be necessary for the fixation of nitrogen or the manufacture of fertilizer and its ingredients as provided herein. Subject to the approval of the President, the Secretary of War, by separate instrument, to lease to any such original lessee any building or equipment, other than those included under subdivision (a), at such rental and upon such terms and conditions as the Secretary of War deems advisable.

"(c) Any lessee under this section may, with the approval of the Secretary of War, make alterations, modifications, or improvements in existing plants and facilities, and construct and operate new plants and facilities, in order to properly carry out the purposes of this section.

"(d) The Secretary of War shall sell to the lessee or lessees such power as may be needed for the operation of plants Nos. 1 and 2, and such additional plants as may be constructed under the provisions of this section, for the fixation of nitrogen and the manufacture of fertilizers and fertilizer ingredients, and products incidental thereto, at such prices and terms as will encourage quantity production of cheap fertilizer which, in the opinion of the Secretary of War and the President, shall be fair and just: Provided, however, That the lessee shall not purchase for the manufacture of products incidental to the manufacture of fertilizer and fertilizer ingredients an amount of power in excess of 15 per cent of the total amount of power purchased by the lessee for the manufacture of fertilizer and fertilizer ingredients.

"(e) The lessee shall covenant to keep said property in first-class condition during the term of said lease.

"(f) If after six months no lease has been made as provided herein, the provisions of this act shall become inoperative and of no effect."



The amendments intended to be proposed by Mr. BLACK and incorporated in the foregoing notices were ordered to lie on the table and to be printed.

## RECESS

Mr. REED. I move that the Senate stand in recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, January 28, 1931, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate January 27 (legislative day of January 26), 1931*

## POSTMASTERS

## ALABAMA

Velma A. Wheeler to be postmaster at Adamsville, Ala., in place of S. A. Shedd, resigned.

Ed P. Johnson to be postmaster at Samson, Ala., in place of E. P. Johnson. Incumbent's commission expired January 7, 1931.

## ARIZONA

John M. Turner to be postmaster at Peoria, Ariz., in place of J. M. Turner. Incumbent's commission expired December 22, 1930.

Ruth L. Streett to be postmaster at Warren, Ariz., in place of R. L. Streett. Incumbent's commission expires February 9, 1931.

## ARKANSAS

Hubert C. Robbins to be postmaster at Piggott, Ark., in place of Frank Weldin, deceased.

## CALIFORNIA

Alfred A. True to be postmaster at Barstow, Calif., in place of A. A. True. Incumbent's commission expires February 5, 1931.

Charles A. French to be postmaster at Brentwood, Calif., in place of C. A. French. Incumbent's commission expired December 17, 1930.

Martha E. Holway to be postmaster at Byron, Calif., in place of M. E. Holway. Incumbent's commission expired December 17, 1930.

James R. Willoughby to be postmaster at Corcoran, Calif., in place of J. R. Willoughby. Incumbent's commission expires February 5, 1931.

Edwin F. Heisser to be postmaster at Glendale, Calif., in place of E. F. Heisser. Incumbent's commission expires February 10, 1931.

George W. Fraser to be postmaster at Pinole, Calif., in place of G. W. Fraser. Incumbent's commission expired December 21, 1930.

Ella B. Ackerman to be postmaster at Rodeo, Calif., in place of E. B. Ackerman. Incumbent's commission expired December 17, 1930.

## COLORADO

Esther J. Kennedy to be postmaster at Climax, Colo. Office became presidential July 1, 1930.

James W. Conant to be postmaster at Monte Vista, Colo., in place of C. A. Erickson, resigned.

## CONNECTICUT

Alfred C. Ward to be postmaster at Middletown, Conn., in place of A. C. Ward. Incumbent's commission expired January 6, 1931.

Myrtle L. Sanford to be postmaster at South Wethersfield, Conn. Office became presidential July 1, 1930.

## DELAWARE

Elijah W. Short to be postmaster at Cannon, Del., in place of E. W. Short. Incumbent's commission expires February 5, 1931.

## FLORIDA

Bessie S. May to be postmaster at Holly Hill, Fla., in place of B. S. May. Incumbent's commission expires February 10, 1931.

Ola L. Head to be postmaster at Avon Park, Fla., in place of F. P. Reeves. Incumbent's commission expired September 11, 1926.

Henry E. Duttonhaver to be postmaster at Bunnell, Fla., in place of J. L. Ambrose, deceased.

## HAWAII

Charles F. Chillingworth to be postmaster at Honolulu, Hawaii, in place of J. F. Woolley, resigned.

## IDAHO

John L. Rooke to be postmaster at Cottonwood, Idaho, in place of J. L. Rooke. Incumbent's commission expires February 4, 1931.

Clyde Hanson to be postmaster at Malad City, Idaho, in place of Clyde Hanson. Incumbent's commission expired January 25, 1931.

## ILLINOIS

Marion F. Watt to be postmaster at Atlanta, Ill., in place of M. F. Watt. Incumbent's commission expires February 10, 1931.

Sheldon J. Porterfield to be postmaster at Chatsworth, Ill., in place of S. J. Porterfield. Incumbent's commission expires February 10, 1931.

Bahne E. Cornilsen to be postmaster at Chicago Heights, Ill., in place of B. E. Cornilsen. Incumbent's commission expires February 23, 1931.

Arthur G. Arnin to be postmaster at Columbia, Ill., in place of A. G. Arnin. Incumbent's commission expires February 10, 1931.

Andrew W. Kurrus to be postmaster at East St. Louis, Ill., in place of A. E. Meints, deceased.

Fred J. Bohnenkemper to be postmaster at Germantown, Ill., in place of F. J. Bohnenkemper. Incumbent's commission expired December 22, 1930.

Evan Harris to be postmaster at Gillespie, Ill., in place of Evan Harris. Incumbent's commission expires February 4, 1931.

Seymour Van Deusen to be postmaster at Greenville, Ill., in place of Seymour Van Deusen. Incumbent's commission expires February 10, 1931.

Ray W. Birch to be postmaster at Neoga, Ill., in place of R. W. Birch. Incumbent's commission expires February 10, 1931.

George P. Wilson to be postmaster at Orion, Ill., in place of G. P. Wilson. Incumbent's commission expired January 7, 1930.

Harold J. Henderson to be postmaster at Raymond, Ill., in place of H. J. Henderson. Incumbent's commission expired January 18, 1931.

Edward S. Bundy to be postmaster at Thompsonville, Ill., in place of E. S. Bundy. Incumbent's commission expired December 14, 1930.

David S. Birkett to be postmaster at Washington, Ill., in place of D. S. Birkett. Incumbent's commission expires February 4, 1931.

## INDIANA

Frederick W. Alpen to be postmaster at Valparaiso, Ind., in place of A. N. Worstell, deceased.

John C. Hodge to be postmaster at Zionsville, Ind., in place of J. C. Hodge. Incumbent's commission expires January 29, 1931.

Fred H. Ahlgrim to be postmaster at Michigan City, Ind., in place of M. A. Schutt, deceased.

## IOWA

Dennis L. McDonnell to be postmaster at Bernard, Iowa, in place of D. L. McDonnell. Incumbent's commission expired January 7, 1931.

Lorenzo D. Howorth to be postmaster at Dunlap, Iowa, in place of L. D. Howorth. Incumbent's commission expired January 18, 1931.

Hervey W. Dahlstrom to be postmaster at Farmersburg, Iowa, in place of H. W. Dahlstrom. Incumbent's commission expired January 22, 1931.



Albert E. Frentress to be postmaster at Greeley, Iowa, in place of A. E. Frentress. Incumbent's commission expires January 28, 1931.

Susana F. O'Bryan to be postmaster at Lovilia, Iowa, in place of S. F. O'Bryan. Incumbent's commission expires February 9, 1931.

Charles F. Chambers to be postmaster at West Union, Iowa, in place of C. F. Chambers. Incumbent's commission expires January 28, 1931.

## KANSAS

Charles H. Kurtz to be postmaster at Mulberry, Kans., in place of Henry Washburn. Incumbent's commission expired April 5, 1930.

## KENTUCKY

Samuel R. Eckler to be postmaster at Dry Ridge, Ky., in place of S. R. Eckler. Incumbent's commission expires January 29, 1931.

Jesse T. Bryant to be postmaster at Hardyville, Ky., in place of J. T. Bryant. Incumbent's commission expired January 10, 1931.

James R. Rash to be postmaster at Henderson, Ky., in place of J. R. Rash. Incumbent's commission expired January 10, 1931.

Attila C. Devore to be postmaster at Sanders, Ky., in place of A. C. Devore. Incumbent's commission expired December 21, 1930.

## LOUISIANA

Virgil N. McNeely to be postmaster at Colfax, La., in place of R. M. Johnson, resigned.

James L. Love to be postmaster at Olla, La., in place of J. L. Love. Incumbent's commission expires February 10, 1931.

## MAINE

James Mahaney to be postmaster at Cherryfield, Me., in place of James Mahaney. Incumbent's commission expires February 4, 1931.

Philip F. Stone to be postmaster at Norway, Me., in place of P. F. Stone. Incumbent's commission expired December 14, 1930.

## MARYLAND

Harry R. Kinnaman to be postmaster at Myersville, Md., in place of H. R. Kinnaman. Incumbent's commission expires February 4, 1931.

Elias N. McAllister to be postmaster at Vienna, Md., in place of E. N. McAllister. Incumbent's commission expired January 21, 1931.

## MASSACHUSETTS

Berton Williams to be postmaster at Ayer, Mass., in place of Berton Williams. Incumbent's commission expires February 9, 1931.

Harry T. Downes to be postmaster at Hanover, Mass., in place of H. T. Downes. Incumbent's commission expires February 9, 1931.

Frederick H. Buckley to be postmaster at Natick, Mass., in place of F. H. Buckley. Incumbent's commission expires February 9, 1931.

Ethel V. Cook to be postmaster at Wenham, Mass. Office became presidential July 1, 1930.

## MICHIGAN

Gertrude S. Scott to be postmaster at Sterling, Mich., in place of G. S. Scott. Incumbent's commission expires February 4, 1931.

## MINNESOTA

John R. Forsythe to be postmaster at Cohasset, Minn., in place of J. R. Forsythe. Incumbent's commission expires February 9, 1931.

Frank H. Griffin to be postmaster at Good Thunder, Minn., in place of F. H. Griffin. Incumbent's commission expired December 18, 1929.

C. Edward Sarff to be postmaster at Keewatin, Minn., in place of C. E. Sarff. Incumbent's commission expires January 29, 1931.

Edward Odberg to be postmaster at Kettle River, Minn., in place of Edward Odberg. Incumbent's commission expires February 9, 1931.

Gustav O. Schlick to be postmaster at Lucan, Minn., in place of G. O. Schlick. Incumbent's commission expires February 9, 1931.

Carl W. Carlson to be postmaster at Melrose, Minn., in place of C. W. Carlson. Incumbent's commission expires February 9, 1931.

John L. Beck to be postmaster at Mountain Iron, Minn., in place of J. L. Beck. Incumbent's commission expires February 9, 1931.

George L. Chesley to be postmaster at Pipestone, Minn., in place of G. L. Chesley. Incumbent's commission expires February 9, 1931.

John P. Grothe to be postmaster at Roseau, Minn., in place of J. P. Grothe. Incumbent's commission expires February 9, 1931.

Henry C. Megrund to be postmaster at Shelly, Minn., in place of H. C. Megrund. Incumbent's commission expires February 9, 1931.

John Schmelz to be postmaster at Springfield, Minn., in place of John Schmelz. Incumbent's commission expires February 9, 1931.

Mae A. Lovestrom to be postmaster at Stephen, Minn., in place of M. A. Lovestrom. Incumbent's commission expires February 9, 1931.

## MISSISSIPPI

Martha B. Lowe to be postmaster at Glendora, Miss., in place of S. B. Townes. Incumbent's commission expired February 16, 1929.

George T. Mitchell to be postmaster at Guntown, Miss., in place of G. T. Mitchell. Incumbent's commission expired December 14, 1930.

Mary E. Cain to be postmaster at Vaiden, Miss., in place of M. E. Cain. Incumbent's commission expires February 4, 1931.

Thomas C. Kite to be postmaster at Weir, Miss., in place of T. C. Kite. Incumbent's commission expires February 9, 1931.

## MISSOURI

Fred Fair to be postmaster at Marshall, Mo., in place of J. A. Jones. Incumbent's commission expired March 16, 1930.

Ben B. Smith to be postmaster at Potosi, Mo., in place of B. B. Smith. Incumbent's commission expires January 29, 1931.

## NEBRASKA

Edward Ericksen to be postmaster at Boelus, Nebr., in place of Edward Ericksen. Incumbent's commission expired January 6, 1931.

Vernon D. Hill (Mrs.) to be postmaster at Diller, Nebr., in place of V. D. Hill (Mrs.). Incumbent's commission expires February 9, 1931.

Albert H. Bahe to be postmaster at Ohiowa, Nebr., in place of Fred Wolter. Incumbent's commission expired May 21, 1930.

## NEW HAMPSHIRE

Harlie A. Cole to be postmaster at Groveton, N. H., in place of H. A. Cole. Incumbent's commission expired January 17, 1931.

Amos J. Dinsmoor to be postmaster at Laconia, N. H., in place of A. J. Dinsmoor. Incumbent's commission expired December 20, 1930.

Edgar C. Emery to be postmaster at West Swanzey, N. H., in place of E. C. Emery. Incumbent's commission expired December 11, 1930.

## NEW JERSEY

Charles R. Siessel to be postmaster at Avenel, N. J., in place of L. B. Van Slyke, deceased.

Frances R. Pavese to be postmaster at Emerson, N. J. Office became presidential July 1, 1930.



August Graf to be postmaster at Hoboken, N. J., in place of August Graf. Incumbent's commission expired December 14, 1930.

Louis Quinby to be postmaster at Longport, N. J. Office became presidential July 1, 1930.

Charles W. Bodine to be postmaster at Morristown, N. J., in place of C. W. Bodine. Incumbent's commission expired January 22, 1931.

Edward J. Tidaback to be postmaster at Short Hills, N. J., in place of E. J. Tidaback. Incumbent's commission expires February 4, 1931.

Wilbur Fuller to be postmaster at Sussex, N. J., in place of Wilbur Fuller. Incumbent's commission expires February 4, 1931.

#### NEW MEXICO

Emma A. Coleman to be postmaster at Lovington, N. Mex., in place of E. A. Coleman. Incumbent's commission expires February 9, 1931.

Charles B. Thacker to be postmaster at Raton, N. Mex., in place of C. B. Thacker. Incumbent's commission expires February 9, 1931.

Chester G. Parsons to be postmaster at Wagon Mound, N. Mex., in place of C. G. Parsons. Incumbent's commission expires February 9, 1931.

#### NEW YORK

Christopher Martin to be postmaster at Altamont, N. Y., in place of Christopher Martin. Incumbent's commission expires February 4, 1931.

Harrison D. Todd to be postmaster at Arkville, N. Y., in place of H. D. Todd. Incumbent's commission expires February 9, 1931.

Michael Gleason to be postmaster at Carthage, N. Y., in place of Michael Gleason. Incumbent's commission expires February 4, 1931.

Max J. Lahr to be postmaster at Fillmore, N. Y., in place of M. J. Lahr. Incumbent's commission expired January 22, 1931.

Benjamin F. King to be postmaster at Madrid, N. Y., in place of B. F. King. Incumbent's commission expires January 28, 1931.

Stuart W. Smyth to be postmaster at Owego, N. Y., in place of S. W. Smyth. Incumbent's commission expired January 22, 1931.

Besse R. Griffin to be postmaster at Quogue, N. Y., in place of B. R. Griffin. Incumbent's commission expires January 28, 1931.

Elma L. Evans to be postmaster at Rose Hill, N. Y., in place of W. E. Mills, resigned.

Chauncey H. Brown to be postmaster at South Dayton, N. Y., in place of C. H. Brown. Incumbent's commission expires January 28, 1931.

#### NORTH CAROLINA

Ruley G. Wallace to be postmaster at Carthage, N. C., in place of R. G. Wallace. Incumbent's commission expires February 5, 1931.

Joseph K. Mason to be postmaster at Durham, N. C., in place of J. K. Mason. Incumbent's commission expires January 29, 1931.

John H. Freshwater to be postmaster at Haw River, N. C. Office became presidential July 1, 1930.

Lurlene T. Turner to be postmaster at Milton, N. C., in place of L. H. Haymes, removed.

#### NORTH DAKOTA

Carl Indergard to be postmaster at Belfield, N. Dak., in place of Carl Indergard. Incumbent's commission expires February 4, 1931.

Ivah M. Shuley to be postmaster at Edinburg, N. Dak., in place of I. M. Shuley. Incumbent's commission expired December 16, 1930.

Orrin McGrath to be postmaster at Glen Ullin, N. Dak., in place of Orrin McGrath. Incumbent's commission expired January 5, 1931.

J. Dexter Peirce to be postmaster at Larimore, N. Dak., in place of J. D. Peirce. Incumbent's commission expired January 22, 1931.

Orlando J. Lebacken to be postmaster at Reynolds, N. Dak., in place of O. J. Lebacken. Incumbent's commission expired January 18, 1931.

#### OHIO

Cora M. Burns to be postmaster at Beloit, Ohio, in place of C. M. Burns. Incumbent's commission expires January 29, 1931.

Herbert E. Whitney to be postmaster at Danville, Ohio, in place of H. E. Whitney. Incumbent's commission expires January 28, 1931.

William M. Carlisle to be postmaster at Gambier, Ohio, in place of W. M. Carlisle. Incumbent's commission expires January 28, 1931.

Oscar C. Wheland to be postmaster at Gnadenhutten, Ohio, in place of O. C. Wheland. Incumbent's commission expires January 28, 1931.

William M. Schmittker to be postmaster at Kelleys Island, Ohio, in place of I. S. Reinheimer, resigned.

Mary E. Ross to be postmaster at Lebanon, Ohio, in place of M. E. Ross. Incumbent's commission expired January 17, 1931.

Lee B. Milligan to be postmaster at Lowellville, Ohio, in place of L. B. Milligan. Incumbent's commission expires January 29, 1931.

Edgar R. Holmes to be postmaster at Millersport, Ohio, in place of E. R. Holmes. Incumbent's commission expired January 22, 1931.

Clara J. Mitchell to be postmaster at Mount Pleasant, Ohio, in place of C. J. Mitchell. Incumbent's commission expired January 22, 1931.

Eugene G. Dick to be postmaster at Oberlin, Ohio, in place of E. G. Dick. Incumbent's commission expires February 4, 1931.

Walter W. Wiant to be postmaster at St. Paris, Ohio, in place of W. W. Wiant. Incumbent's commission expired January 17, 1931.

Robert L. Nelson to be postmaster at Senecaville, Ohio, in place of R. L. Nelson. Incumbent's commission expired January 10, 1931.

Della Boone to be postmaster at Spencer, Ohio, in place of Della Boone. Incumbent's commission expires January 28, 1931.

Charles F. Decker to be postmaster at Vermilion, Ohio, in place of C. F. Decker. Incumbent's commission expires February 9, 1931.

Wilbur C. Ledman to be postmaster at Zanesville, Ohio, in place of W. C. Ledman. Incumbent's commission expires February 9, 1931.

#### OKLAHOMA

William W. Wagner to be postmaster at Orlando, Okla., in place of W. W. Wagner. Incumbent's commission expired January 22, 1931.

Thomas W. Kelly to be postmaster at Stillwater, Okla., in place of T. W. Kelly. Incumbent's commission expired January 18, 1931.

#### PENNSYLVANIA

Ida M. Mingle to be postmaster at Birmingham, Pa., in place of I. M. Mingle. Incumbent's commission expired January 22, 1931.

Harry H. Wilson to be postmaster at Blairsville, Pa., in place of H. H. Wilson. Incumbent's commission expires February 4, 1931.

Jennie C. Sample to be postmaster at Crum Lynne, Pa., in place of J. C. Sample. Incumbent's commission expired December 17, 1930.

Merton R. Himes to be postmaster at East Berlin, Pa., in place of J. E. Anthony, deceased.

Edward A. P. Christley to be postmaster at Ellwood City, Pa., in place of E. A. P. Christley. Incumbent's commission expired January 25, 1931.

Thomas M. Brown to be postmaster at Glen Rock, Pa., in place of T. M. Brown. Incumbent's commission expired December 16, 1928.

Ralph B. Kunkle to be postmaster at Homer City, Pa., in place of R. B. Kunkle. Incumbent's commission expires February 4, 1931.



William A. Kessler to be postmaster at Homestead, Pa., in place of W. A. Kessler. Incumbent's commission expires February 5, 1931.

Frank H. Cratsley to be postmaster at Imperial, Pa., in place of F. H. Cratsley. Incumbent's commission expires February 5, 1931.

Otto R. Baer to be postmaster at Irwin, Pa., in place of O. R. Baer. Incumbent's commission expires February 4, 1931.

Frank R. Diehl to be postmaster at Lehigh, Pa., in place of F. R. Diehl. Incumbent's commission expires January 28, 1931.

Samuel F. Williams to be postmaster at Le Raysville, Pa., in place of S. F. Williams. Incumbent's commission expires January 29, 1931.

William H. Young to be postmaster at McDonald, Pa., in place of W. H. Young. Incumbent's commission expires February 4, 1931.

Harrison J. Kromer to be postmaster at Merion Station, Pa., in place of H. J. Kromer. Incumbent's commission expired January 25, 1931.

Bess L. Thomas to be postmaster at New Bethlehem, Pa., in place of B. L. Thomas. Incumbent's commission expired January 25, 1931.

Clarence A. Majer to be postmaster at Pocono Pines, Pa., in place of C. A. Majer. Incumbent's commission expired January 25, 1931.

Carrie A. Fritz to be postmaster at Rimersburg, Pa., in place of C. A. Fritz. Incumbent's commission expired December 22, 1930.

William J. Winner to be postmaster at Sandy Lake, Pa., in place of W. J. Winner. Incumbent's commission expires January 29, 1931.

Joseph L. Roberts to be postmaster at Sharon, Pa., in place of J. L. Roberts. Incumbent's commission expired January 15, 1931.

Franklin Clary to be postmaster at Sharpsville, Pa., in place of Franklin Clary. Incumbent's commission expires January 29, 1931.

Maude McCracken to be postmaster at Volant, Pa., in place of Maude McCracken. Incumbent's commission expired January 25, 1931.

William Evans to be postmaster at West Grove, Pa., in place of William Evans. Incumbent's commission expires January 29, 1931.

#### SOUTH DAKOTA

Edgar A. Hornby to be postmaster at Flandreau, S. Dak., in place of L. E. Buck, resigned.

Harry C. Sherin to be postmaster at South Shore, S. Dak., in place of H. C. Sherin. Incumbent's commission expires February 5, 1931.

#### TENNESSEE

John D. Haggard to be postmaster at Jackson, Tenn., in place of W. F. Arnold, deceased.

James E. Graham to be postmaster at Jasper, Tenn., in place of S. P. Raulston, resigned.

Harold T. Hester to be postmaster at Portland, Tenn., in place of H. T. Hester. Incumbent's commission expires January 28, 1931.

#### TEXAS

Charles A. Ziegenhals to be postmaster at Bastrop, Tex., in place of C. A. Ziegenhals. Incumbent's commission expired January 6, 1931.

Minnie L. Gibbs to be postmaster at Burnet, Tex., in place of M. L. Gibbs. Incumbent's commission expired January 6, 1931.

Pierce Mayer to be postmaster at Corsicana, Tex., in place of Pierce Mayer. Incumbent's commission expired January 25, 1931.

Gus H. Spiser to be postmaster at Eden, Tex., in place of W. R. Dickens, resigned.

Stanley F. Labus to be postmaster at Falls City, Tex., in place of S. F. Labus. Incumbent's commission expired January 17, 1931.

John R. Ramsey to be postmaster at Graham, Tex., in place of C. L. Long, resigned.

John H. Wilson to be postmaster at Jacksboro, Tex., in place of J. H. Wilson. Incumbent's commission expired January 21, 1931.

Rufus H. Windham to be postmaster at Kirbyville, Tex., in place of R. H. Windham. Incumbent's commission expired January 17, 1931.

George B. Reed to be postmaster at Lohn, Tex. Office became presidential July 1, 1930.

Fannie M. Black to be postmaster at Perryton, Tex., in place of F. M. Black. Incumbent's commission expired January 10, 1931.

Ethel Milligan to be postmaster at Pittsburg, Tex., in place of Ethel Milligan. Incumbent's commission expired January 25, 1931.

Simpson I. Dunn to be postmaster at Port Arthur, Tex., in place of S. I. Dunn. Incumbent's commission expired January 25, 1931.

James E. Risley to be postmaster at Rockwall, Tex., in place of J. E. Risley. Incumbent's commission expired December 11, 1930.

Edward N. Mulkey to be postmaster at Sherman, Tex., in place of E. N. Mulkey. Incumbent's commission expired January 17, 1931.

Gladys M. Anderson to be postmaster at Snyder, Tex., in place of B. F. Womack. Incumbent's commission expired May 26, 1930.

Surry S. Boles to be postmaster at Thorndale, Tex., in place of S. S. Boles. Incumbent's commission expired January 25, 1931.

Dyde Manning to be postmaster at Wills Point, Tex., in place of Dyde Manning. Incumbent's commission expired January 22, 1931.

James R. Burras to be postmaster at Windom, Tex., in place of J. R. Burras. Incumbent's commission expired December 11, 1930.

#### UTAH

Alfred L. Hanks to be postmaster at Tooele, Utah, in place of A. L. Hanks. Incumbent's commission expires February 5, 1931.

#### VERMONT

Alvi T. Davis to be postmaster at Marshfield, Vt., in place of A. T. Davis. Incumbent's commission expired December 17, 1930.

Vernie S. Thayer to be postmaster at Readsboro, Vt., in place of V. S. Thayer. Incumbent's commission expires February 1, 1931.

#### VIRGINIA

Rankin L. Emory to be postmaster at Chase City, Va., in place of A. H. Zollinger. Incumbent's commission expired May 4, 1930.

Louis H. Stoneman to be postmaster at Columbia, Va., in place of L. H. Stoneman. Incumbent's commission expires January 29, 1931.

William H. Ruebush to be postmaster at Dayton, Va., in place of W. H. Ruebush. Incumbent's commission expired January 10, 1931.

William G. Faris to be postmaster at Glade Spring, Va., in place of W. G. Faris. Incumbent's commission expired January 5, 1931.

William H. Moatz to be postmaster at Round Hill, Va., in place of W. H. Moatz. Incumbent's commission expires January 29, 1931.

Eugene C. Geary to be postmaster at Woodstock, Va., in place of E. C. Geary. Incumbent's commission expired January 21, 1931.

#### WASHINGTON

Walter M. Hagenstein to be postmaster at Medina, Wash. Office became presidential July 1, 1930.

Raymond M. Badger to be postmaster at Winthrop, Wash., in place of R. M. Badger. Incumbent's commission expired December 17, 1930.

#### WEST VIRGINIA

Rita K. Petty to be postmaster at Belleville, W. Va., in place of O. E. Kimes. Incumbent's commission expired December 17, 1929.



Patrick A. Brown to be postmaster at Camden on Gauley, W. Va., in place of N. E. Welch, resigned.

Ernest E. Miller to be postmaster at Cowen, W. Va., in place of L. A. Lynch, resigned.

Nell Bennett to be postmaster at Pickens, W. Va., in place of Nell Bennett. Incumbent's commission expired January 17, 1931.

#### WISCONSIN

Elsie O. Barnes to be postmaster at Friendship, Wis., in place of E. O. Barnes. Incumbent's commission expired January 18, 1931.

Mabel A. Dunwiddie to be postmaster at Juda, Wis., in place of M. A. Dunwiddie. Incumbent's commission expired December 22, 1930.

Carrie K. Lehner to be postmaster at Juneau, Wis., in place of C. K. Lehner. Incumbent's commission expired January 22, 1931.

Clarence J. Fieweger to be postmaster at Kimberly, Wis., in place of C. J. Fieweger. Incumbent's commission expired January 14, 1931.

Winford Suits to be postmaster at Medford, Wis., in place of Winford Suits. Incumbent's commission expired January 21, 1931.

Alice M. Clinton to be postmaster at Sullivan, Wis., in place of A. M. Clinton. Incumbent's commission expired January 21, 1931.

## HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 27, 1931

The House met at 12 o'clock noon.

Dr. Charles S. Medbury, pastor of the University Church of Christ of Des Moines, Iowa, offered the following prayer:

Our loving Father, we have learned that in all of life it is good for us to turn to our tasks from Thy presence. We thank Thee for these great days that Thou art giving us, days of difficulty and yet of fascinating challenge, and we pray Thee that we may redeem these days by thoughtful and sacrificial service for the good of all men and Thy honor. We are moved as we think of those who have gone before us, who so bought up by their worth the days that were given them that they shall live forever; and, our Father, we would live on and on, too, making some contribution while we are here to the happiness, the strength, and opportunity of those who come after us.

Now, bless this morning, we pray Thee, the President of the Republic and all in authority, and especially, our Father, bless the men and women Members of this House; and as a stranger is welcome in this historic Hall this morning to voice this petition, grant that his very presence may call into view the unnumbered hosts who face this way desiring to cooperate with those who are here for the Nation's good. And may these men and women so walk and work in this unsullied day that in the light of the very longings of the households of America and in loyalty to the aspirations of God for these people the divine will may be done. And we ask it in the name of Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 233. An act to approve the action of the War Department in rendering relief to sufferers of the Mississippi River flood in 1927;

H. R. 516. An act for the relief of John Jakes;

H. R. 1036. An act for the relief of Homer N. Horine;

H. R. 1075. An act to correct the naval record of James M. Hudson;

H. R. 1081. An act for the relief of Martin G. Schenck, alias Martin G. Schanck;

H. R. 1892. An act for the relief of Henry Manske, jr.;

H. R. 2266. An act for the relief of E. O. McGillis;

H. R. 3122. An act for the relief of William J. Frost;

H. R. 3313. An act to authorize the Secretary of War to acquire, free of cost to the United States, the tract of land known as Confederate Stockade Cemetery, situated on Johnstons Island, Sandusky Bay, Ohio, and for other purposes;

H. R. 3692. An act for the relief of George Press;

H. R. 3950. An act for the relief of David A. Dehart;

H. R. 4159. An act for the relief of Harry P. Lewis;

H. R. 4501. An act to authorize funds for the construction of a building at Fort Sam Houston;

H. R. 4760. An act for the relief of Guy Braddock Scott;

H. R. 4907. An act for the relief of Thomas Wallace;

H. R. 5271. An act authorizing the Secretary of the Interior to acquire land and erect a monument at the site near Crookston, in Polk County, Minn., to commemorate the signing of a treaty on October 2, 1863, between the United States of America and the Chippewa Indians;

H. R. 5661. An act authorizing the Sycamore Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Wabash River at or near Fleshers Ferry, Ind.;

H. R. 6453. An act for the relief of Peder Anderson;

H. R. 6618. An act to provide for the study, investigation, and survey, for commemorative purposes, of the battlefield of Chalmette, La.;

H. R. 7063. An act for the relief of H. E. Mills;

H. R. 7119. An act to authorize the establishment of a Coast Guard station on the coast of Florida at or in the vicinity of Lake Worth Inlet;

H. R. 7302. An act for the relief of Jeremiah F. Mahoney;

H. R. 8117. An act for the relief of Robert Hofman;

H. R. 8649. An act to authorize the Postmaster General to collect an increased charge for return receipts for domestic registered and insured mail when such receipts are requested after the mailing of the articles, and for other purposes;

H. R. 8665. An act for the relief of William A. Quigley;

H. R. 8806. An act to authorize the Postmaster General to impose fines on steamship and aircraft carriers transporting the mails beyond the borders of the United States for unreasonable and unnecessary delays and for other delinquencies;

H. R. 9779. An act authorizing a preliminary examination of the Mokelumne River, Calif., and its tributaries, with a view to the control of floods;

H. R. 9893. An act for the relief of Herman Lincoln Chatkoff;

H. R. 10782. An act to facilitate and simplify the work of the Forest Service;

H. R. 11022. An act for the relief of Sterrit Keefe;

H. R. 11212. An act to authorize a pension to James C. Burke;

H. R. 11230. An act to authorize a preliminary examination of Yellow Creek and other tributaries of the Cumberland River in and about the city of Middlesboro, Ky., with a view to the control of their floods, and for other purposes;

H. R. 11297. An act for the relief of Arthur Edward Blanchard;

H. R. 11443. An act to provide for an Indian village at Elko, Nev.;

H. R. 11779. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a bridge across the Pecatonica River northwest of Rockford, Ill., in section 5, township 27 north, range 11 east, fourth principal meridian;

H. R. 12121. An act to provide for a survey of the Salmon River, Alaska, with a view to the prevention and control of its floods;

H. R. 13132. An act authorizing the appropriation of Osage funds for attorneys' fees and expenses of litigation;

H. R. 13516. An act to extend the times for commencing and completing the construction of a free highway bridge across the Hudson River between the cities of Albany and Rensselaer, N. Y.;



H. R. 13517. An act to extend the times for commencing and completing the construction of a free highway bridge across the Hudson River, at the southerly extremity of the city of Troy, N. Y.;

H. R. 13532. An act to extend the time for the construction of the bridge across the Rio Grande at or near San Benito, Tex.;

H. R. 13533. An act to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.;

H. R. 14051. An act to grant the consent of Congress to the Highway Department of the State of Tennessee to construct, maintain, and operate a bridge across the Elk River on the Fayetteville-Winchester Road near the town of Kelso, in Lincoln County, Tenn.;

H. R. 14266. An act authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans, to be held at Montgomery, Ala., in June, 1931;

H. R. 14276. An act to extend the times for commencing and completing the construction of a bridge across the Tennessee River on the Dayton-Decatur Road between Rhea and Meigs Counties, Tenn.;

H. R. 14573. An act authorizing the attendance of the Army Band at the Confederate Veterans' reunion to be held at Montgomery, Ala.;

H. R. 14679. An act authorizing Pensacola Bridge Corporation (a Florida corporation), its successors and assigns, to construct, maintain, and operate a bridge across Santa Rosa Sound, in the State of Florida, at or near Grassy Point in Santa Rosa County, Fla.;

H. R. 14681. An act granting the consent of Congress to the Pittsburgh, Cincinnati, Chicago & St. Louis Railroad Co., its successors and assigns, to construct, maintain, and operate a railroad bridge across the Kankakee River;

H. R. 14916. An act for the relief of the Uncompahgre reclamation project, Colorado;

H. R. 15008. An act to extend the south and east boundaries of the Mount Rainier National Park, in the State of Washington, and for other purposes;

H. J. Res. 200. Joint resolution authorizing acceptance of a donation of land, buildings, and other improvements in Caddo Parish, near Shreveport, La.; and

H. J. Res. 441. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Monongahela River, Pa.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H. R. 2335. An act providing for the promotion of Chief Boatswain Edward Sweeney, United States Navy, retired, to the rank of lieutenant (junior grade) on the retired list of the Navy;

H. R. 2936. An act to provide for a preliminary examination of the Tittabawassee and Chippewa Rivers, Mich., with a view to the prevention and control of floods;

H. R. 6668. An act to provide for discharging certain obligations of Peter R. Wadsworth, former superintendent and special disbursing agent of the Consolidated Chippewa Indian Agency.

H. R. 7272. An act to provide for the paving of the Government road across Fort Sill (Okla.) Military Reservation;

H. R. 12404. An act to amend the act of April 9, 1924, so as to provide for national-park approaches; and

H. J. Res. 357. Joint resolution classifying certain official mail matter.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 13. An act for the relief of the Upson-Walton Co.;

S. 351. An act for the relief of John Donahue;

S. 401. An act for the relief of Claude J. Church;

S. 627. An act authorizing certain Indian tribes and bands, or any of them, residing in the State of Washington, to present their claims to the Court of Claims;

S. 634. An act for the relief of Louis Vauthier and Francis Dohs;

S. 873. An act to supplement the act entitled "An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington," approved March 13, 1924;

S. 1244. An act for the relief of Capt. Christian Damson;

S. 1249. An act for the relief of Daniel S. Schaffer Co. (Inc.);

S. 1367. An act for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard;

S. 1371. An act authorizing the Southern Ute and the Ute Mountain Bands of Ute Indians, located in Utah, Colorado, and New Mexico, to sue in the Court of Claims;

S. 1430. An act authorizing certain Indian tribes and bands, or any of them, residing in the State of Washington, to present their claims to the Court of Claims;

S. 1671. An act for the relief of Stillwell Bros. (Inc.);

S. 1712. An act for the relief of William T. J. Ryan;

S. 2429. An act to amend the act entitled "An act for the relief of certain members of the Navy and Marine Corps who were discharged because of misrepresentation of age," approved January 19, 1929;

S. 2445. An act to amend the act of February 12, 1925 (Public, No. 402, 68th Cong.), so as to permit the Cowlitz Tribe of Indians to file suit in the Court of Claims under said act;

S. 2753. An act for the relief of Edward Brooks;

S. 3050. An act for the relief of James M. Booth;

S. 3144. An act for the relief of J. D. Stewart;

S. 3335. An act conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon;

S. 3831. An act for the relief of Georgia A. Muirhead;

S. 3951. An act for the relief of Walter Harrell Allen;

S. 4120. An act for the relief of McIlwraith McEachern's Line, Proprietary (Ltd.);

S. 4167. An act to make the regulations of the Secretary of Agriculture relating to fire trespass on the national forests applicable to lands the title to which revested in the United States by the act approved June 9, 1916 (39 Stat. 218), and to certain other lands known as the Coos Bay wagon-road lands;

S. 4353. An act for the relief of the Orange Car & Steel Co., of Orange, Tex., successor to the Southern Dry Dock & Ship Building Co.;

S. 4434. An act for the relief of Walter J. Bryson Paving Co.;

S. 4537. An act to relinquish all right, title, and interest of the United States in certain lands in the State of Louisiana;

S. 4619. An act to authorize the disposition of effects of persons dying while subject to military law;

S. 4677. An act for the relief of Dr. B. T. Williamson, of Greenwood, Miss.;

S. 4682. An act to authorize the Chief of Engineers of the Army to enter into agreements with local governments adjacent to the District of Columbia for the use of water for purposes of fire fighting only;

S. 4715. An act for the relief of John T. Doyle;

S. 4716. An act for the relief of Mrs. Thomas Doyle;

S. 4726. An act for the relief of Alexander H. Bright;

S. 4800. An act to authorize certain officers of the United States Navy and Marine Corps to accept such decorations, orders, and medals as have been tendered them by foreign governments in appreciation of services rendered;

S. 4815. An act authorizing a preliminary examination and survey of the Crooked and Indian Rivers, Mich.;



S. 4821. An act authorizing the Secretary of the Navy, in his discretion, upon request from the Governor of the State of Florida, to deliver to such governor as custodian for such State the silver service presented to the United States for the U. S. battleship *Florida*, now out of commission;

S. 4856. An act to authorize the Secretary of Agriculture to sell the Morton Nursery site, in the county of Cherry, State of Nebraska;

S. 4907. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Princeton Club, of Philadelphia, the bowl and ladle formerly in use on the U. S. S. *Princeton*;

S. 4944. An act to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.;

S. 4963. An act to relieve the Commissioners of the District of Columbia of certain ministerial duties;

S. 5061. An act to authorize the National Society United States Daughters of 1812 to make annual report to the Smithsonian Institution;

S. 5069. An act authorizing the Secretary of the Navy to deliver to the State of Utah the silver service which was in use on the battleship *Utah*;

S. 5114. An act to legalize bridges across the Staunton River at Brookneal, Route No. 18, Campbell County, and at Clover, Halifax County, Route No. 12, State of Virginia;

S. 5193. An act for the relief of Mildred N. O'Lone;

S. 5195. An act for the relief of Howard Dimick;

S. 5198. An act for the relief of T. Morris White;

S. 5200. An act for the relief of the National Dry Dock & Repair Co. (Inc.);

S. 5201. An act for the relief of C. O. Smith;

S. 5220. An act authorizing the establishment of a mining experiment station of the Bureau of Mines at College Park, Md.;

S. 5246. An act to amend the act entitled "An act for the erection of a tablet or marker to be placed at some suitable point between Hartwell, Ga., and Alford's Bridge in the county of Hart, State of Georgia, on the national highway between the States of Georgia and South Carolina, to commemorate the memory of Nancy Hart";

S. 5255. An act to extend the time for the construction of a bridge across the Chesapeake Bay;

S. 5314. An act to amend the Federal highway act;

S. 5319. An act to grant the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the French Broad River on the proposed Morristown-Newport Road between Jefferson and Cocke Counties, Tenn.;

S. 5321. An act for the relief of Thomas F. Myers;

S. 5360. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

S. 5392. An act to legalize a bridge across the Pigeon River at or near Mineral Center, Minn.;

S. 5439. An act to excuse certain persons from residence upon homestead lands during 1929 and 1930 in the drought-stricken areas;

S. 5441. An act to assist in the organization of agricultural credit corporations;

S. 5473. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

S. 5519. An act granting the consent of Congress to Louisville & Nashville Railroad Co. to construct, maintain, and operate a railroad bridge across the Tennessee River at or near Danville, Tenn.;

S. 5621. An act to provide a government for American Samoa;

S. 5625. An act providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Celebration) to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes;

S. 5649. An act for the relief of the State of Alabama;

S. 5715. An act to authorize the attendance of personnel

and animals of the Regular Army as participants in the tenth Olympic games;

S. 5732. An act to authorize the acquisition for military purposes of land in Orange County, N. Y., for use as an addition to the West Point Military Reservation;

S. J. Res. 183. Joint resolution authorizing the Secretary of Agriculture to cooperate with the Territories of the United States under the provisions of sections 1 and 2 of the act of Congress entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor";

S. J. Res. 188. Joint resolution authorizing the Surgeon General to conduct an investigation and survey of malaria conditions in the United States;

S. J. Res. 210. Joint resolution to authorize the distribution of 40,000,000 bushels of surplus wheat for relief purposes;

S. J. Res. 212. Joint resolution to coordinate the fiscal business of the United States Department of Agriculture and the Alaska Game Commission in Alaska, and for other purposes;

S. J. Res. 222. Joint resolution relating to the authority of the Secretary of the Interior to enter into a contract with the Rio Grande project; and

S. J. Res. 228. Joint resolution to provide for the relocation of the statue of Maj. Gen. John A. Rawlins.

#### RESTRICTING IMMIGRATION FOR TWO YEARS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may have three days after the filing of the majority report on H. J. Res. 473, further restricting for a period of two years immigration into the United States, in which to file minority views.

The SPEAKER. The gentleman from New York asks unanimous consent that he may have three days after the filing of the majority report on H. J. Res. 473, in which to file minority views. Is there objection?

There was no objection.

Mr. COOKE. Mr. Speaker, I ask unanimous consent that I may have three days in which to file minority views on the same resolution, after the filing of the majority report.

The SPEAKER. The gentleman from New York asks unanimous consent that he may have three legislative days in which to file minority views, following the filing of the majority report, on the same resolution. Is there objection?

There was no objection.

#### PERMISSION TO WAYS AND MEANS COMMITTEE TO SIT DURING SESSIONS OF HOUSE

Mr. GARNER. Mr. Speaker, at the request of the gentleman from Oregon [Mr. HAWLEY], chairman of the Committee on Ways and Means, I ask that that committee may be granted permission to sit during the sessions of the House for a week.

The SPEAKER. The gentleman from Texas asks unanimous consent that the Committee on Ways and Means may be permitted to sit during the sessions of the House for a week. Is there objection?

There was no objection.

#### TAX ON CAPITAL GAINS

Mrs. RUTH PRATT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on a bill which I introduced to-day to amend the revenue act of 1928.

The SPEAKER. The gentlewoman from New York asks unanimous consent to extend her remarks in the RECORD on a bill she introduced to-day. Is there objection?

There was no objection.

Mrs. RUTH PRATT. Mr. Speaker and Members of the House, the present 12½ per cent tax on capital net gains with a similar rate on offsets for capital losses, a rate very much lower than the normal and surtax rates ordinarily imposed on personal incomes, was adopted because of a general belief that the effect of high taxes was to impede, if not actually prevent, business transactions that might otherwise take place if they led to gains subject thereto. The report of the House Committee on Ways and Means filed on August 16, 1921, with the revenue bill of that year, which



first provided for distinguishing such gains and taxing them at a lower rate, stated:

The sale of . . . capital assets is now seriously retarded by the fact that gains and profits earned over a series of years are . . . taxed as a lump sum (and the amount of surtax greatly enhanced thereby) in the year in which the profit is realized. Many such sales, with their possible profit-taking and consequent increase of the tax revenues, have been blocked by this feature . . .

It was believed that the passage of the new provision for a lower rate of tax on such profits would materially increase the revenues, not only by stimulating profit taking, but also because of the corresponding limitation applied to losses taken, which the previous high surtax rates encouraged even more than they discouraged the realizing of gains.

These expectations have been realized, and the result has undoubtedly been a material improvement in the situation. This is indicated by a growth of such gains reported and the revenue realized by the Government in consequence to seven and one-half times as much in 1928 (the last year for which the figures are available) as in 1922. The increase in gains reported was from \$249,247,583 (approximately 1 per cent of gross reported income) to \$1,879,780,038 (approximately 6.5 per cent of gross income); whereas the increase in the tax yield from this source was from \$31,066,357 (only 3.6 per cent of the total) to \$233,450,521 (slightly more than one-fifth of the total).

For some time, however, opinion from important business and financial sources has again been manifesting itself in favor of abolishing the tax, as was recommended by the committee on taxation of the Merchants' Association of New York City on October 15, or at least for its reduction, because of its disturbing economic influence. It is believed by many to have been an important factor in bringing about the conditions that led to the recent stock market collapse, with the train of ruin that came in its wake.

As early as the spring of 1929 the National City Bank, in a special edition of its monthly bulletin, denounced the capital gains tax as one of the prime causes of our difficulties by creating artificial scarcity values and frozen credit conditions because of an unwillingness on the part of many to liquidate in view of the necessity of paying a substantial portion of the profit to be realized as a tax to the Government. Following the stock market crash in the fall of that year the bank repeated its arguments and pointed out that as a result of the tax the Government was "in the position of encouraging inflation." The current bulletin shows how the offset for losses has been an influence in the opposite direction. "Thus the tax on capital gains is seen to accentuate both inflation on the rising market and depression on the falling market."

In his annual report as chairman of the board of the Chase National Bank, Mr. Albert H. Wiggin expressed a similar viewpoint as to the unfortunate results of the tax and stated his conviction, as a practical matter, that a "more moderate rate would eliminate the serious menace to market stability."

The effect on the stock market is bad, since fear of taxes prevents selling which would moderate the booms, and selling to establish losses intensifies the down swings. The tax causes violent fluctuation in the revenues of the Government. It may occasion a net loss in tax receipts in 1931, since losses in 1930 may be used to offset all forms of income.

Mr. Wiggin believes that because of its nature, being a tax on capital, it is justified only for a capital use, such as the reduction of public debt. Were there on such debt, he would advocate total abolition of the tax. As it is he suggests a reduction in the rate, with offsets for capital losses to be applied only against capital gains, and the segregation of the tax proceeds for debt reduction.

Only last Tuesday, Governor Harrison, of the Federal Reserve Bank of New York, testifying before the Senate Committee on Banking and Currency, gave it as his opinion that a reduction in the tax on profits from the sale of stocks would help to stabilize the speculative markets.

Last October, addressing the American Bankers' Association at Cleveland, President Hoover also expressed his belief

that "inquiry might develop that our system of taxes upon capital gains directly encourages inflation by strangling the free movement of land and securities." He followed this up in his annual message to Congress with the statement:

It is urged by many thoughtful citizens that the peculiar economic effect of the income tax on so-called capital gains at the present rate is to enhance speculative inflation and likewise impede business recovery. I believe this to be the case, and I recommend that a study be made of the economic effects of the tax and of its relation to the general structure of our income tax law.

While the Treasury Department has expressed itself only unofficially as having been led by such study as it has made recently to the profound belief that the tax acts as an irritant to business, that it has been a disturbing factor in the securities market, and that it may have played an important part in creating the situation that resulted in the stock-market collapse and the ensuing depression, Undersecretary Mills had previously made public his own belief that the 12½ per cent rate is now too high and that a reduction is justified for an entirely different reason.

In an address delivered on April 30, 1930, at the annual meeting of the Chamber of Commerce of the United States, Mr. Mills pointed out that the rate on capital gains, which had been left unchanged since it was originally fixed in the law, is now out of line and hence unfair as compared with present normal and surtax rates, which have since 1922 been reduced respectively from 8 to 5 per cent and from 50 to 20 per cent. Accordingly, whereas originally the reduced rate on capital gains was of advantage to taxpayers with net incomes as low as \$16,000, it now benefits only those with net incomes of at least \$32,000. If the capital gain is the main portion of the income, it must be as high as \$50,000 to furnish any relief under this provision.

In other words, the capital gain provision under present rates was of some value in greater or less degree to only 86,769 taxpayers on their 1928 incomes, whereas a lower rate proportionate to the lowered normal and surtax rates would have affected approximately 125,000 more.

Mr. Mills put the matter in another way when he stated that the average tax on incomes of from \$50,000 to \$100,000 is approximately 10 per cent, and that on incomes of \$300,000 and over, approximately 17 per cent. These average rates compare with 18 per cent and 36 per cent, respectively, in 1922. Hence, on the principle that profits from property held over a considerable period of time should be treated on a more favorable basis than current gains, he is convinced that the present 12½ per cent rate is too high, and should be reduced.

Admittedly the consideration of such an important and complicated problem during the present short session presents some difficulty. Its value in helping to stabilize economic conditions and bring about a period of recovery, however, makes it of equal importance with drought relief and other relief appropriations, and demands that it be placed before Congress without further delay. We must remember, moreover, that the rate on offsets for net losses is also involved, and that such offsets may prove of even more influence in reducing the revenues of the Government not only in 1931 but in succeeding years than the tax on gains may have in increasing such revenues.

It would be unfair to make the reduction retroactive. I believe, however, that every effort should be made to give such encouragement as possible by indicating our intention to deal with the subject seriously and to take definite action, if it is warranted, during 1931, in order that the results of our action may be applied in 1932. If it does nothing more, it will have a material effect in toning down the violence of bear raids when selling for income-tax purposes comes at the close of the year.

#### INDEPENDENT OFFICES APPROPRIATION BILL

Mr. SUMMERS of Washington. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 16415) making appropriations for the Executive Office and sundry independent executive



bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1932, and for other purposes.

Mr. PARKS. Mr. Speaker, before that motion is put, may I submit a request for unanimous consent?

The SPEAKER. The gentleman will state it.

Mr. PARKS. Mr. Speaker, I ask unanimous consent that on Thursday next I may be permitted to address the House for 40 minutes on the subject of drought relief.

The SPEAKER. The gentleman from Arkansas asks unanimous consent that on Thursday next he may be permitted to address the House for 40 minutes on the subject of drought relief. Is there objection?

Mr. TILSON. Mr. Speaker, I hope the gentleman will not make that request. We shall have general debate almost certainly on Friday, with ample opportunity for Members to secure time.

Mr. PARKS. Yes; and about 6 o'clock in the afternoon I might get a little time. Will the distinguished leader yield to me for a moment? Is there any day that he may suggest when I could get an opportunity to talk at a particular hour?

Mr. TILSON. Mr. Speaker, I have made a suggestion that, as other Members of the House do, the gentleman speak under general debate when appropriation bills are being considered.

Mr. PARKS. Mr. Speaker, I desire to submit a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PARKS. In the opinion of the Speaker is there a quorum present?

The SPEAKER. As a preliminary opinion, the Chair would say yes. [Laughter.] The question is on the motion of the gentleman from Washington that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 16415.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill, with Mr. DOWELL in the chair.

The Clerk read the title of the bill.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I ask the House to pause for a moment to consider the functioning of the Federal Farm Board. In less than two years since the act creating the board was passed we have authorized the full amount of the authorization carried in that act, namely, \$500,000,000. Originally, shortly after the passage of the act, we appropriated \$150,000,000, and later at the next session \$100,000,000, making \$250,000,000. Just before the holidays at this session, in the emergency appropriation bill, we appropriated a further sum of \$150,000,000, and now in the paragraph under consideration the last allotment of \$100,000,000. I question very much whether there is going to be any limit to the amount of money that the Government will be called upon to appropriate in order to finance the Farm Board if conditions continue as they are and they intend to continue on the same program of extravagant advancement of money to all kinds of cooperatives, and also particularly to the grain and cotton stabilization corporations.

Mr. Legge, chairman of the board, states that in his opinion, if conditions improve they will not be called upon to raise the limit of \$500,000,000, but from my study of the hearings and my study of this question I can not see how it is humanly possible, with the farmers of this country producing a surplus of at least 200,000,000 or 250,000,000 bushels of wheat every year, more than can be consumed in this country, for the Farm Board to do other than they are doing to-day, in being compelled to buy up every bushel of wheat, speaking generally, that is put on the market so as to bolster up the price of wheat. If that is going to be the policy, we are launching into the greatest socialistic movement that has ever been witnessed by this Government.

I have no apologies to make for having voted against this wholesale socialistic propaganda movement. The mere statement of the case shows there will be no limit. True, if

Russia will not continue to increase her acreage and will not throw on the market a large surplus of wheat for export, if Argentina will have no exportable surplus, if Canada will have no exportable wheat, and India will have none, then, perhaps, we may come from under; but as long as Russia is going to continue to increase its acreage under modern methods, furnishing to the peasantry modern implements for the cultivation of wheat by means of tractors and by every other known means under their advancing program of socialization of wheat production, then the problem before the people of America is how to find some means to prevent the further utilization of acreage for the production of wheat.

I do not like to be critical of this noble instrument in the socialization of industry, but there is one instance where I do very strongly criticize the board, which is not for the benefit of the farmer, but for the benefit of an illegal governmental agency, and that is in advancing \$17,000,000 to the California wine concentrate manufacturers when the Farm Board knew that that money was to be used in evasion of the Volstead Act, in sending throughout the country hundreds of millions of gallons of wine concentrates in flagrant violation of the eighteenth amendment. Further, I think the Farm Board is open to criticism of the tremendous salaries that are being paid to the head officials of the Grain Stabilization Board and the Farm Cooperative Association, referred to by the gentleman from Virginia [Mr. WOODRUM] in his explanatory remarks on this bill yesterday.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. STAFFORD] has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STAFFORD. Do not hereafter let any person from the farming sections criticize the \$25,000 or \$50,000 paid to railroad executives when you are paying \$50,000 to the head of your Grain Stabilization Board, \$27,000 to the secretary, and more than \$25,000 to the treasurer.

I do not say those salaries are beyond what they should be, but yet I think perhaps the \$50,000 salary is pretty large to any man for performing this work of gambling in wheat, buying futures, and selling wheat, even though it does run into hundreds of millions of dollars.

I say further that I think the Subcommittee on Appropriations is open to criticism, virtually occupying positions as members of a board of directors of a trust having in control more than \$500,000,000 authorization, with the extravagant expenditures this board is shown to have been making in the past year and a half, to have appropriated the remaining \$100,000,000. I think it would have been the course of wisdom and prudence if, instead of voting them \$100,000,000 limit, and taking off all restraint, they would have voted only \$25,000,000, because the Farm Board only the other day received an additional \$150,000,000. We are going to meet again in December. You are giving them carte blanche to the very limit to do what they please, and yet the record shows there has been no restraint, no supervision, no let-up, in the outlandish policy of using Government funds for the support of everything and anything pertaining to the farm. It is well enough for persons who come from farming districts to say "This is in aid of agriculture. This is in aid of the wheat grower."

I come from a State where we have farmers giving 365 days of the year to the cultivation of their soil, the dairy farmers. Wisconsin has not called and does not need to call upon this instrumentality for relief, because they can get their credit from the banks. They are not asking for any artificial support to the market. They know how to market their own products. I think it is a grave mistake, and that the showing is not sufficient in the record to justify voting \$100,000,000 after only a few weeks ago having given them \$150,000,000. You are going the limit. You should have tried to curb them if you were wise business men. If



you had adopted that restrictive course, then in December next, when we meet, we would have been able to call them to account for the money that had then been appropriated. You have not done anything toward restraining their penchant for spending on all kinds of ventures. You say, "Go pell mell and spend as much as you like."

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. MOORE of Virginia. Has it occurred to the gentleman that we might perhaps put some limitation on the appropriation in the light of what the gentleman has suggested?

Mr. STAFFORD. Oh, I know how futile it would be in this Chamber to attempt any such movement as to place a limitation on this appropriation. The amount should have been cut down. The committee should have curtailed them. The criticism lodges at their door. It is not upon any individual Member.

This bill is reeking with instances of additional appropriations—\$500,000 here and \$100,000 there—over existing appropriations. There has been no attempt anywhere to curtail, when the policy of the Government should be in these times to economize. The policy of this committee, as reflected in this bill, in almost every instance is to increase appropriations.

Now, I have said my say in protest. I did not believe in this artificial propaganda corporation in the beginning; I voted against it because I did not believe it would be successful. As the testimony shows, if the Farm Board were obliged to liquidate at the present time it would lose many millions of dollars, running into the hundreds of millions of dollars.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. This board is dragging the Government further and further into the mire in its attempt to bolster prices.

Mr. HOWARD. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. HOWARD. I am in hearty sympathy with a great part of the gentleman's argument. I have noticed that several times he has referred to the fact that the Congress will meet in December. I think his point would be made much stronger if he would state that the Congress will probably meet in May.

Mr. STAFFORD. I will say to my friend that if I had any control of when Congress would meet—and being a Republican wishing to see the House organized by Republicans—I would have the House organize as soon as possible. The Republicans have a very narrow margin and because of the possible mortality, who can tell what will happen within six months? I think it would be a matter of wisdom to organize as soon as possible after the 4th of March, if the Republicans really want to control the organization.

Mr. O'CONNOR of Oklahoma. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. O'CONNOR of Oklahoma. The gentleman is very studious and well informed. I wonder if in his researches he has ascertained what salaries these \$50,000 and \$25,000 men were drawing before they went on this board? It is all right to pay \$50,000 for a \$50,000 man, but we should not put a \$100 saddle on a \$25 horse. I think it would be well to know the character of these men and the salaries they were drawing before they went on this board.

Mr. STAFFORD. There is nothing in the hearings which discloses what they were receiving before. However, it does appear that the head of the Cotton Stabilization Corporation receives \$25,000 and may receive as much as \$75,000, depending upon the profits of that corporation. I can not approve such extravagant salaries.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment. The gentleman from Wisconsin [Mr. STAFFORD] has called attention to the fact that the head of this Stabilization Cotton Board receives an assured salary of \$25,000 and that Chairman Legge in the hearings stated that his emoluments would run up probably to \$75,000 a year. That is as much as the salary of the President of the United States.

I will quote the exact language from page 351 of the hearings:

Mr. WOODRUM. Who are the high-salaried employees of that organization?

Mr. LEGGE. There is a Mr. Creekmore. They have a different set-up. I think they guarantee him a salary of \$25,000 a year, with an additional compensation based on their earnings. The salary may run to a maximum of \$75,000. He is assured of a definite salary of \$25,000, however.

Mr. WOODRUM. What other high-salaried officers does the Cotton Stabilization Corporation have besides him?

Mr. LEGGE. In that case there is very little being done; it is not as active as wheat. That is simply a charge made by the cotton cooperative for the services performed, which we have to pass as being a fair charge for the work that they are doing for stabilization.

You will note that Mr. Legge carefully avoided answering Mr. WOODRUM's question. But Mr. WOODRUM pinned him down:

Mr. WOODRUM. Are there any other high-salaried employees in the Cotton Stabilization Corporation besides Mr. Creekmore?

Mr. LEGGE. Yes. He has an assistant, Mr. Safford. I can not give you his compensation, but it is something less than Mr. Creekmore's.

Yet Mr. Legge would not answer, more than to state that Mr. Safford got a salary something less than Mr. Creekmore's. And above Mr. Legge had admitted that Mr. Creekmore's salary "may run to a maximum of \$75,000." If I had been on that subcommittee I would have made Mr. Legge give us some definite information.

The gentleman from Wisconsin is an old legislator. He has been here a long time. He knows the modus operandi of all these bills that have been coming in here for the last 15 years. There has not been a single one of these organic acts that have been brought upon this floor during the last 13 years that has placed any limitation on the amount of salaries to be paid, and I have each time called attention to the fact that there would be abuses. We all know the scandal with reference to salaries that were paid at one time by the Shipping Board and the Emergency Fleet Corporation, salaries running up into the hundreds of thousands of dollars. Many of these big salaries were paid to mediocre men.

You may remember that I spent one summer here in checking up the amount of rents the Government bureaus were paying for outside buildings. At the same time I checked up the available vacant space in Government buildings.

After I had done that I called the attention of the then chairman of the Committee on Appropriations, Mr. Madden, to the fact that the Emergency Fleet Corporation and Shipping Board were paying \$556,000 a year for the rent of buildings here and in Philadelphia. At the same time I showed that in the new Navy and War Building—and I marked the vacant rooms by numbers—there was sufficient vacant space to house that entire bureau of the Government. And he it said to the credit of that great former chairman from Illinois, Mr. Madden, he forced that organization to give up its rented buildings and to move down there, and you will find them there now.

You remember the tremendous salaries which at one time were paid to the various agents in the Department of Justice, without rhyme or reason as to the amount.

As long as we continue to pass these organic acts which provide for the creation of new positions and new salaries without fixing a proper limitation we are going to have \$40,000, \$50,000, \$60,000, and \$75,000 salaries paid out of the people's Treasury.

I wonder if in this coming Congress—which the gentleman says will meet in December but which I say is going to meet



the first part of June—the gentleman from Wisconsin [Mr. STAFFORD] is going to take his stand here with a few of us who do not believe in blanket appropriations, who do not believe in lump-sum appropriations, and help us to stop it? Every chairman of our Committee on Appropriations for the last 25 years has denounced lump-sum appropriations from this floor. Yet Congress continues to make them. Many distinguished chairmen have told Congress that as long as you appropriate in lump sums, we are never going to have economy, but you are going to have growing expenses of government. We have just recently passed a four department appropriation bill, brought here full of blanket lump-sum appropriations.

Mr. HOPE. Will the gentleman yield?

Mr. BLANTON. I would, but my time is about up. I want the gentleman from Wisconsin [Mr. STAFFORD] to help a few of us get back to the old, sane form of appropriating where we will make the departments demand their specific appropriations and tell us how they must spend the money.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SUMMERS of Washington. Mr. Chairman, I rise in opposition to the pro forma amendment of the gentleman from Wisconsin [Mr. STAFFORD] to say a few words in behalf of the committee. It is charged that they have increased appropriations in many instances. Quite to the contrary. The gross reduction below the Budget estimates in this bill is \$2,790,050, which is a very substantial decrease rather than a boosting of the amount.

Now, a word in regard to the Federal Farm Board and its revolving fund. The bill includes the Budget estimate of \$100,000,000 which will complete the authorization of \$500,000,000 for this purpose. This is all under authority of law.

On January 7, 1931, the total commitments approved by the board aggregated \$468,000,000 plus, and there had been advanced to borrowers against such commitments \$372,000,000 plus, of which \$131,000,000 plus has been repaid. The outstanding aggregate was \$241,000,000.

The Federal Farm Board is undertaking to help cooperatives which are operating in many different commodities—beans, cotton, dairy products, fruits and vegetables, grain, honey, livestock, potatoes, poultry and eggs, rice, seed, tobacco, wool and mohair, and the amounts are all set forth on page 234 of the hearings.

These are loans to cooperatives and, presumably, will all be repaid; at least, they are made on a strictly business basis, and this should be borne in mind when gentlemen are making statements in regard to the total amount that is being appropriated and the total amount available.

Mr. ABERNETHY and Mr. HOPE rose.

Mr. ABERNETHY. I am just wondering if the Farm Board has any constructive program with respect to raising the prices of farm products. We have given them all the money, it seems, and yet the prices of all the products are going down, particularly with respect to cotton, and I think it is also true of wheat and tobacco. I wonder if we have any assurance that we are going to get any increase in the prices of our farm products. We are voting this board many hundreds of millions of dollars, and I am wondering whether the committee has any information about this situation.

Mr. SUMMERS of Washington. The gentleman understands that this subcommittee is not framing the policy of the Federal Farm Board. However, I believe an investigation would reveal that they are loaning money in attempts to be helpful in the marketing of the different commodities which I have mentioned.

Mr. ABERNETHY. The trouble is that our cotton is going down in price all the time, as well as everything else in the way of farm products in our country.

Mr. SUMMERS of Washington. Yes; but the gentleman from North Carolina [Mr. ABERNETHY] very well knows that the world market is also going down all the time, while the American wheat market, for instance, is about 25 cents a bushel higher than the world market. This is quite unusual. If the gentleman has looked into this matter at all, he knows that what the Farm Board is doing now and has been doing

for a number of weeks past means \$3,000,000 a week to the wheat growers. Now, I am not prepared to state what their loans to the cotton industry or to the Cotton Stabilization Corporation have meant. But, regardless of all the criticism that we may want to heap on the Farm Board in the very difficult position in which they find themselves in this world depression, no one, I think, can analyze the wheat situation in the United States and in the world and say that they are not at this time holding up the price of wheat to the extent of about 25 cents a bushel.

Mr. ABERNETHY. The gentleman thinks the Farm Board is helping instead of hurting?

Mr. SUMMERS of Washington. I am sure they are helping the wheat situation very much at this time.

Mr. ABERNETHY. Our people are under the impression that the Farm Board is hurting instead of helping the situation.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. SUMMERS of Washington. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Without objection, the gentleman from Washington is recognized for five additional minutes.

Mr. SUMMERS of Washington. In regard to these large salaries, I do not approve of them, but the Federal Farm Board does not fix the salaries and does not pay them. It is true that in so far as the part which is paid by the Stabilization Corporation, the Farm Board may suffer a loss on a part of that amount. But a big part of these salaries, in every instance, as I understand, is paid by the cooperatives out of their own funds, or by the farmer organizations which they control and which are not controlled by the Farm Board. So while we may disapprove of the very large salaries, we should not charge them up to the Farm Board.

Mr. HOPE. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. HOPE. It is true, is it not, that none of these gentlemen who are drawing these alleged large salaries is an official of the United States Government?

Mr. SUMMERS of Washington. No; they are not officials of the United States Government.

Mr. HOPE. Their salaries are not fixed by Congress or any department of the Government; is not that true?

Mr. SUMMERS of Washington. They are not fixed by Congress or by any department of the Government or by the Farm Board. Neither would it be possible for this committee to reduce those salaries.

Mr. HOPE. Those salaries are fixed by the private corporations of which these gentlemen are officers; is not that true?

Mr. SUMMERS of Washington. By the private corporations.

Mr. STAFFORD. Will the gentleman yield?

Mr. SUMMERS of Washington. I yield.

Mr. STAFFORD. Is it not a fact that the Grain Stabilization Corporation, for which the Farm Board advances all the money for its functioning, fixed the salary of this Mr. Milnor, who is now receiving \$50,000, at \$36,000, and that Mr. Legge in his testimony stated that they had the authority to control the salary in view of the fact that the Government is the only agency that is advancing money to the Grain Stabilization Corporation?

Mr. SUMMERS of Washington. They do not fix the salaries because the excess above a certain amount is paid by the cooperatives. But they do say in the hearings that it is necessary that they keep their hand on the throttle in order that capable men be at the head of these organizations because there are hundreds of millions of dollars involved. That was most important from the board's point of view; more important than the salary paid.

Mr. STAFFORD. As I read the hearings, the Grain Stabilization Board fixed the salary of Mr. Milnor at \$36,000.

Mr. SUMMERS of Washington. And not at \$50,000.

Mr. HOPE. This Grain Stabilization Corporation, a private corporation that fixes the salary, was organized under the laws of Delaware. I read the hearings and I saw nothing



ing to give me the impression that the Farm Board fixed the salaries. Mr. Legge stated that the Farm Board did exercise a veto power on officials; that is, that they must be competent officials.

Mr. EDWARDS. Does not the gentleman think that the Farm Board ought to exercise the right of veto as to what salaries shall be paid?

Mr. SUMMERS of Washington. Suppose they said that the salary shall not exceed \$10,000 or \$15,000. That does not get the most competent men. Then who suffers? The Treasury of the United States.

Mr. EDWARDS. I do not think from the results thus far we have the best men now. I want to say further that they are not in sympathy with all the crops of the country. For instance, take the naval stores industry, which represents a production of \$60,000,000 a year. They turn a deaf ear to that industry and thus far have declined to give any funds or help whatever.

Mr. LaGUARDIA. Does that come under the contemplation of the Farm Board act?

Mr. EDWARDS. Yes. When an amendment was offered in the Senate there was a gentleman's agreement that that industry would come under this act. The same understanding obtained in the House, and in good faith the board should recognize and help the industry.

Mr. SUMMERS of Washington. I have read into the RECORD the commodities that do come under the act and are being assisted at this time. From naval stores to lumbering would be but a step and then the Farm Board would be grossly exceeding its authority.

Mr. YON. Mr. Chairman—

The CHAIRMAN. The gentleman from Florida is recognized for five minutes.

Mr. YON. Mr. Chairman, ladies, and gentlemen, I rise at this time to discuss what I think of the operation and administration of the Farm Board. This farm-relief organization has been operating for about a year and a half. What has it accomplished for agricultural relief? When it was organized cotton was selling around from 15 to 18 cents a pound, but this season in my district it has sold as low as from 6 to 10 cents a pound; wheat from 25 to 40 per cent less than a year and a half ago; cattle, hogs, citrus fruits, and most everything produced in raw material the same.

The impelling force in the face of commitments of the Farm Board of upward of \$468,000,000 of the \$500,000,000 authorized as a revolving fund has been made, and to take care of these commitments the board comes here asking the Congress to appropriate the last dollar for them to meet their commitments to take care of requests, scattered throughout the land, from cooperatives of various kinds when, in fact, most of the cooperatives that have secured loans from the board do not in many instances control in the membership of their organizations anywhere near the percentage of producers necessary to control production or distribution of the lines that the board is pouring out the money of the taxpayers to stabilize and hold prices.

The Farm Board bill I supported, and I went home after the adjournment of the Congress that passed it and urged my people to organize cooperatives, that they would be recognized by the board, and of all the groups of producers that really got together was one, and that the producers of gum, turpentine, and rosin from the pine tree. They drew up their constitution and by-laws to meet the requirements of the board and according to State law under which incorporated.

I appeared before the board in behalf of the turpentine producers and urged at another time that an investigation for the board be sent to the producing belt to determine its agricultural status. I understand that the investigators' report was favorable, and to follow that, every reason to believe that the producers would be recognized as agriculturists was inferred to the last moment; when, after weeks of delay and when a director of the Gum-Turpentine Producers Association came to Washington to see what was the reason of delay, and in seeking a conference with the chairman of the board, he, the chairman, very politely

writes this director, after receiving a telegram from him, that there was nothing doing; that legal counsel had said that gum-turpentine farming was not agriculture. I wonder where this counsel got his advice.

The Congress expressed it as their will, should the bill proposing the board become law, as will be noted from a colloquy between myself and the ranking Democrat on the Agricultural Committee of the House, the gentleman from Louisiana [Mr. ASWELL]. This colloquy occurred on April 25, 1929, and I quote from the CONGRESSIONAL RECORD:

I have recognized the need of organization and the need of cooperative effort even before I came to Congress, and in further connection with the cooperative features of this bill I want especially to ask the committee, in order to get in the RECORD the committee's construction of this law, if there will be a chance for this board to take up the consideration of granting relief or helping to market certain lines of products that are the production of a set of producers who are producing a raw material. It is a kind of farming that most of our Members are not acquainted with; and that is the farming of pine trees for turpentine and rosin. In my district, the third Florida, and in the Southland, in what is known as the yellow or long-leaf pine belt, there are many operators producing some \$30,000,000 or \$40,000,000 worth of rosin and turpentine. There are nearly 1,500 of them organized in turpentine producers' associations. I had intended to offer an amendment at the end of paragraph (b), line 16, page 14, but recognize how all amendments have been rejected; therefore I will not ask you to consider an amendment to specifically add turpentine and rosin, but I hope some benefit will be derived to this class of production under the operation of this law, and to get an expression from the committee I would like to ask the ranking member of the Committee on Agriculture on the Democratic side, who comes from the pine belt, what he thinks of that.

Mr. ASWELL. In my opinion the board has full authority to admit the turpentine and rosin people as cooperatives under this bill.

Mr. YON. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. YON. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

Mr. SUMMERS of Washington. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

Mr. EDWARDS. I want five minutes.

Mr. JONES. I would like a little time.

Mr. ABERNETHY. I want a little time.

Mr. SUMMERS of Washington. I will ask unanimous consent that all debate on this paragraph and all amendments thereto close in 12 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. YON. So now, gentlemen, to back up my contention that the turpentine men are entitled to any consideration any other agricultural group is, I will say that the Department of Agriculture recommends appropriations to carry on the Bureau of Forestry for the care of the standing timber and also the bureau is carrying on an extensive program of reforestation by replanting and otherwise. Also, the agricultural appropriation bill that is now in conference carries several items for the use of the Bureau of Chemistry and Soils in the Department of Agriculture for chemical study and experimentation in turpentine production and uses, and I believe it will be put to better use than this \$100,000,000 carried in this bill for the Farm Board.

I have not had anything to say detrimental to the board before this, for I had hoped that it would successfully operate to aid in alleviating the distress that agriculture has been in through these past 10 years of Republican administration, but since reading the hearings on the board's item and after a group of producers has been treated as they have, with the chairman's explanation of what seems to me as a careless administration of millions of the people's money, and his unlimited authority of administration as he sees fit, and as a part of his administration he arbitrarily says this group or that can or can not enjoy the benefits of a law that the Congress has implied its will that all groups should enjoy. [Applause.]

To further bear out my assertion that gum turpentine and rosin producers are agriculturists, I am extending in my



remarks a clipping from a current issue of the Florida Grower, an agricultural publication published in Florida:

**TURPENTINE "FARMERS"**

One of the most notable accomplishments in the organization of agriculture last year was the establishment of the Gum Turpentine-Rosin Marketing Association, with headquarters in Jacksonville. More than 50 per cent of all United States producers of gum turpentine have signed term-marketing agreements with the new cooperative association.

The organization of turpentine producers is, in itself, not of great importance to agriculture. What makes it important to agriculture is that the intermediate credit banks and the Federal Farm Board have recognized gum turpentine as an agricultural commodity, and have indicated that the gum-turpentine industry will be eligible to receive Federal financial assistance the same as any other organized agricultural industry.

Washington interest in the turpentine industry of Southern States has developed through the suggestion that turpentine and timber can be profitably produced on submarginal lands now used for growing cotton and tobacco. The question of what to do with submarginal lands now producing cotton and tobacco to the detriment of those two major industries has worried Washington. If a plan can be worked out whereby the Federal Government can aid in financing the production of gum turpentine and timber on these submarginal lands, progress will have been made in the solution of cotton and tobacco problems.

The man primarily responsible for this work is Julian Langner, who is best known to Florida people for what he did last year in organizing the State's three regional poultry cooperatives. The skillful manner in which he has worked out the problems of the turpentine industry has won him recognition in Washington as one of the Nation's best authorities on cooperative organization.

Mr. ABERNETHY. Mr. Chairman and ladies and gentlemen of the committee, up to this good hour I have not raised any objection to the Farm Board, because I have been hoping against hope and praying with all the fervor that a Member of Congress can that the board would do something for the relief of our distressed agriculture throughout the country, and particularly in my section. I have voted for every farm-relief measure that has ever been seriously proposed here. I voted for the McNary-Haugen bill with its equalization fee, whose opponents said would not work. Then I voted for the debenture, and they said that would not work. Finally Mr. Hoover and the leaders of the House gave us the Farm Board proposal, and they said that if we would give that board a revolving fund of \$500,000,000 that it would do the work; and it has worked, because ever since it has been in operation farm products have gone down and down and down in price, until we are now feeding the folks in Arkansas and other sections through the agency of the Red Cross, and we are trying to get a few seed loans out of the \$45,000,000 appropriation that we passed. My good friend from Washington [Mr. SUMMERS]—and I have been with him on farm-relief matters—says that this is a world-wide condition that we face. It was a world-wide condition that we faced when we passed the tariff bill. The tariff bill was supposed to correct conditions in this country notwithstanding world-wide conditions. Why can not the Farm Board correct the conditions here? We were told when it was created that it was the panacea for our agricultural ills. The Farm Board can control these high salaries we have been discussing. The board can control them if they want to by telling these cooperatives and kindred organizations that they will not lend them money unless they cut down their overhead, and the Farm Board ought to do this. My friend, Mr. Williams, on the board who has charge of cotton—and I think a great deal of him—was going to raise the price of cotton, and Mr. Stone was going to raise the price of tobacco, and still tobacco and cotton are going down in price all of the time. I am going to give these gentlemen another chance before I vote against these appropriations. I hope that they will work out some way to get rid of the trouble that we are in—and we are in serious trouble—and while we have not called on the Red Cross down in my section as yet, we soon will have to, unless the Farm Board or some other agency comes to the relief of our people engaged in agricultural pursuits.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word. It is one thing to try to keep a man from endeavoring to cross a swollen stream, but it is an entirely different thing to throw stones at him after he has

gotten his horse midway of the stream. With some of the activities of the Farm Board I am not in accord, and I was very much in doubt as to the wisdom of the original act. I do not think that some of the salaries that are paid are justified, especially some that are paid in connection with some of the activities of the subsidiary organizations, but the Farm Board has embarked on a program. They have a lot of wheat and cotton on their hands. If you were to stop the program now and throw a million bales of cotton immediately on the market and many millions of bushels of wheat on the market, it would produce chaos. They are in the middle of a program. I do not know that the Congress can affect that program. It may or may not be a wise program, but they have embarked upon it and are in the middle of it.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. I yield for a question.

Mr. MORGAN. Does the gentleman believe that the farm problem can be solved through the accumulation of surpluses? Is not the problem centralized in the manner in which they can deal with surpluses?

Mr. JONES of Texas. I think there is a good deal to that suggestion. I am not at all convinced as to what will be the ultimate result of the present program. What I am interested in and what I rose to say to-day is to call attention to a matter that I think is far more important than this marketing program, on which they are spending so much money, and that is the discrimination that exists in the freight-rate structure in regard to farmers and which has existed for more than a quarter of a century. On the outbound freight rates on industrial products there is a reduction of from 25 to 40 per cent to encourage the exportation of those industrial products. There is no comparable reduction in the freight rate on farm products. Not only on the outbound rates is there a discrimination but on the inbound rates also. For instance, coconut oil is coming in in increasing quantities. Nine hundred and eighty million pounds came in last year, driving not only dairy products out of business but cottonseed-oil products out of business.

When that coconut oil comes in, the freight rate from Galveston to Cincinnati, where some big soap makers are located, is 30 cents a hundred, while on cottonseed oil the freight rate from Galveston on the domestic product to Cincinnati is 61 cents a hundred, more than twice as much. On copra which is coming in the freight rate from Galveston to Cincinnati is only about one-half that on cottonseed, which weighs about the same amount. I have introduced a resolution asking the Farm Board to establish a rate adjustment division with the duty of filing application to correct the discriminations either by reducing farm export and import rates to a parity with industrial rates or doing away with the export and import advantages which industry has, so that the whole freight structure may be brought down. [Applause.] I think if the Farm Board wants to accomplish something worth while and justify its existence in the long run, it would better take some favorable action on a program of that kind, which is tangible, which is concrete, which is not theoretical but which is real.

That is one of the superdiscriminations that is partly responsible for the present farm program. You might establish a perfect marketing system; you might establish a system that would meet every possible requirement of the farmer in the marketing of his products; but, if he is handicapped by that discrimination plus the tariff discrimination, I do not see how the Farm Board with any program is ever going to be able to place agriculture on a parity with industry. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas [Mr. JONES] has expired. All time has expired.

The Clerk read as follows:

For every expenditure requisite for and incident to the work of the Federal Power Commission as authorized by law, including traveling expenses, including expenses of attendance at meetings which, in the discretion of the commission, are necessary for the efficient discharge of its responsibilities; contract stenographic reporting services, and not exceeding \$1,000 for press-clipping



service, law books, books of reference, newspapers, and periodicals, \$255,695, of which amount not to exceed \$212,620 shall be available for personal services in the District of Columbia, including five commissioners at \$10,000 each.

Mr. LA GUARDIA. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will read.

The Clerk read as follows:

Amendment offered by Mr. LA GUARDIA: Page 19, line 19, before the period insert a colon and the following: "Provided, That none of the money herein appropriated shall be used to pay the salary of a commissioner whose confirmation has been or is being reconsidered by the Senate or against whom ouster or removal proceedings have been instituted or authorized."

Mr. SUMMERS of Washington. Mr. Chairman, I reserve a point of order against the amendment.

Mr. LA GUARDIA. I will ask the gentleman from Washington to make the point of order. There is no use taking the time of the committee if I am not in order.

The CHAIRMAN. Will the gentleman from Washington state the point of order?

Mr. SUMMERS of Washington. I make the point of order, Mr. Chairman, that the amendment is legislation on an appropriation bill.

Mr. LA GUARDIA. Mr. Chairman, the point of order is made on the ground that this is legislation. My amendment is only a negative limitation, which prohibits the payment of salaries to any commissioner whose confirmation has been reconsidered or is under reconsideration. In other words, to use the simile often resorted to by the distinguished parliamentarian from the State of Illinois, Mr. Mann, I could offer an amendment providing that no salary should be paid to a commissioner with red hair. Surely if I describe a commissioner whose confirmation is under reconsideration or has been reconsidered, it is purely a limitation. There is no legislation there.

Mr. BLANTON. Will the gentleman yield?

Mr. LA GUARDIA. I yield.

Mr. BLANTON. "Red hair" in this instance means power-monopoly leaning?

Mr. LA GUARDIA. Yes.

The CHAIRMAN (Mr. HOCH). The Chair is ready to rule.

It seems to the Chair that the amendment offered by the gentleman from New York [Mr. LA GUARDIA] is simply a limitation upon the expenditure. It provides, as the Chair reads it, certain limitations as to the qualifications of commissioners who might be paid a salary out of this appropriation.

The Chair overrules the point of order.

Mr. LA GUARDIA. Mr. Chairman, it strikes me just as one Member of this House that the Power Commission controversy is a contest between the Power Trust and the people of this country. That being so, the legislative branches of our Government should stand together. It seems to me that good taste and delicacy would have compelled the commissioners to submit to a reconsideration of their confirmation or to send in their resignations. We have nothing to do with that. This House has no powers of confirmation. We do have a great deal to do with appropriating funds to pay salaries. We have something to do in maintaining legislative, representative government in this country. I know of no matter of greater importance than that of maintaining control by the legislative branch of the Government, of the natural resources and wealth of the country. Now, without going into the merits of the question, confirmation of certain appointees was given and before the ink was dry on their commissions, and before the time for reconsideration by the Senate had expired, certain valuable, useful, honest, uncorruptible employees of that commission were summarily dismissed. It will require years to train men for the specialized knowledge necessary to experts and key men of that commission. The Senate, in an orderly manner did the one thing they could do, asked for the return of the papers and moved a reconsideration of their confirmation.

Mr. BLANTON. Will the gentleman yield?

Mr. LA GUARDIA. I yield.

Mr. BLANTON. And we in the House are supposed to be the real Representatives of the people, coming fresh from them every two years.

Mr. LA GUARDIA. Every two years.

Mr. BLANTON. And we ought to protect their interests here.

Mr. LA GUARDIA. I do not see how we can do anything else than stand together on this contest between executive power, bureaucratic usurpation, and the dignity and power of the legislative branch of the Government. Why gentlemen, there is not one who will get upon the floor of this House and publicly make a plea for the protection of the Power Trust; and there is a Power Trust! When the gas companies of my city are busy on Muscle Shoals and on Boulder Dam, you may rest assured that there is a Power Trust, and most of the dirty work of the Power Trust is conceived right in my city. So I ought to know something about it. The Power Trust is not a phantom. It is not a fiction. It is something real, vicious, dangerous, existing.

Mr. PARKS. Will the gentleman yield?

Mr. LA GUARDIA. I yield.

Mr. PARKS. If the gentleman had joined with me in the last election and put Al Smith in the White House, you would not have had this condition would you?

Mr. LA GUARDIA. We still have the gas companies and electric companies members of the vicious combines in New York.

Mr. PARKS. He has done his best has he not?

Mr. LA GUARDIA. We will not take that up now. This is more important. I am willing to join any movement in this fight against the Power Trust.

Mr. PARKS. The gentleman understands I am absolutely with him in what he is saying.

Mr. LA GUARDIA. Then I wish the gentleman from Arkansas would go to his cloakroom and get some of his fellow Members to vote for my amendment.

Mr. PARKS. I will when you are ready.

Mr. LA GUARDIA. That is good. That is the practical way of doing it. I believe that this amendment will do more than all the discussions and debates and speeches we can have on the floor of the House to serve notice on the Power Trust how the House stands and where they come off.

I submit my amendment and ask for its approval, Mr. Chairman.

Mr. BLANTON. Will the gentleman yield?

Mr. LA GUARDIA. I yield.

Mr. BLANTON. Would not the gentleman again place in the RECORD in connection with his remarks data to show the extent of the organizations of this Power Trust, with all of its ramifications?

Mr. LA GUARDIA. That has been placed in the RECORD many times, in both the House and Senate.

The CHAIRMAN. The time of the gentleman from New York [Mr. LA GUARDIA] has expired.

Mr. SUMMERS of Washington. Mr. Chairman, the Federal Power Commission was created by act of Congress, and this appropriation is made in accordance with that legislative authority. This subcommittee, of course, does not enter into the controversy in any way, shape, or form. We are simply carrying out the provisions of law.

Another body, I understand, has submitted their controversy to the court and there it will be adjudicated. This bill is not going to pass the Senate immediately and if, perchance, the other body is right in its contention then this appropriation would not be provided for or might be eliminated later in the Senate. But it is barely possible that the contention of the other body may not be sustained by the courts and then we would be proceeding in an orderly manner. So I hope that with this thought in mind, and with no thought of undertaking to settle the controversy that has sprung up nor with any thought of entering



into the merits or demerits of any man's position, we may proceed according to the legislation that has been enacted.

Mr. RAMSEYER. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the amendment.

Mr. GRAHAM. Mr. Chairman, I move to strike out the last word. I certainly hope this amendment will not prevail. We have nothing to do with hysterical utterances about the Power Trust or the question of its existence being material or mythical. We are engaged in the passage of an appropriation bill, and for us to undertake to interfere in some dispute or difference between the Senate and the executive branch of the Government would be an impertinence on our part. I think this House had better attend to the appropriation measure, because the proposition contained in the amendment will be taken care of by the conclusion that may be reached upon the attitude of the Senate and upon the attempted ouster proceedings.

In my humble judgment, when the commissioners were appointed by the President, confirmed by the Senate, and that confirmation notified back to him, the function of the Senate ceased and there was no further function on the part of the Senate. But it is unnecessary for us to decide that question, and we ought not to enter into any dispute with regard to it. The question will take care of itself, and if the Senate is right they will get the matter reconsidered; if the Senate is wrong, then these appointments will stand, and we have nothing to do with the merits of it in that respect.

Mr. RAMSEYER. Mr. Chairman, I rise in opposition to the amendment. It seems to me that if we adopt an amendment like this we will be setting a most unwholesome and dangerous precedent. It is a kind of a legislative hold-up. No matter whether the motion to reconsider is legal or illegal or whether the ouster proceedings in the court are with or without foundation, the salary stops. If the acts or decisions of an executive or judicial officer displeases a majority of either legislative branch, the policy of this amendment proposes not to remove such officer in the usual or legal way but to punish such officer by a refusal to pay his salary until he truckles to the arbitrary will of a majority of Congress or of one House of Congress.

Members appointed on these various boards and commissions should exercise their best judgments on all matters coming before them without fear of punishment by the legislative branch in the manner proposed in the amendment. I do not know a single member of this Federal Power Commission; in fact I never heard of any one of them before the dispute in the Senate occurred. The issue of the Power Trust is not involved in the proposed amendment. We certainly should not threaten a public official through the curtailment of his salary just because he happens to make a decision that is contrary to the views of the very distinguished and learned body at the other end of the Capitol. If a public official is incompetent, unworthy, or corrupt there are orderly and legal ways to remove him.

I certainly hope the House of Representatives will not start a precedent as is proposed by the pending amendment. For instance, there is some dissatisfaction with the Farm Board. A Senator might file a resolution to reconsider the confirmation of a member of the Farm Board, even contrary to the Senate rules, or start an ouster proceeding in the courts, without foundation of law. Then, under a provision like this, if backed by a majority of that body, the salary of such member of the Farm Board would at once cease. I grant we have the power to do this thing. Is it right and conducive to good government service to exercise this power? If a judge renders a decision that Congress does not like, with provisos on legislative bills, we can deny him his salary. If the Chief Justice of the Supreme Court writes an opinion which, in the judgment of Congress, is not sound, Congress can punish him by refusing to appropriate to pay his salary. I am sure the Members of this House will exercise their usual good judgment by voting against the

amendment of the gentleman from New York [Mr. LA GUARDIA].

Mr. SPARKS. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. SPARKS. Is not the effect of this amendment to bar a salary regardless of the final result?

Mr. RAMSEYER. There is no question about that. Pending the final result the salary would not be paid.

Mr. TILSON. Mr. Chairman, it is difficult to take a proposition of this kind seriously. You have only to read the amendment to see not only the futility of it but the danger of it. It is futile because if the question is decided in favor of the commissioners they will ultimately get their salaries anyway and if they lose out this amendment will do them no harm.

The distinguished gentleman from Iowa has made it very clear, that it is most unwise for us, the House of Representatives, to concoct a scheme by which anyone who desires to bring ouster or removal proceedings may institute such proceedings and thereafter the salary of the commissioners can not be paid. If the Senate can make a rule that by a motion to reconsider a confirmation must be held up for two days it can make a rule that it must be held up for 12 months or 2 years, thus making it possible for the Senate by the adoption of a rule to recall any appointment at will at any time.

Mr. DE PRIEST. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. DE PRIEST. Would not the adoption of this amendment have a tendency to intimidate public officials?

Mr. TILSON. Certainly. It would put them absolutely under the control of a legislative body. They would no longer be independent, and it would be necessary for them to so conduct themselves as not to arouse the ire of any Member of either body of Congress.

If the gentleman from New York wishes these commissioners removed, he is in the right court to initiate the proceedings—the House of Representatives—but he has mistaken the remedy. Impeachment is his remedy. I think it would be most unfortunate for us to enter into a plan of this sort, which can have no other effect than that of intimidating public officials in the performance of their duties. It seems to me the House of Representatives might be engaged in better as well as more important business.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. LA GUARDIA. The gentleman says my amendment is futile and practically senseless, yet I notice it has brought out the heavy artillery on our side of the House.

Mr. TILSON. It is almost inconceivable, nevertheless, that such an amendment could be taken seriously by anyone.

Mr. PARKS. Mr. Chairman, I move to strike out the last two words. The very thing has occurred that I anticipated would occur when this Power Commission was reorganized. Originally we had three Cabinet officers. They testified that the amount of business before them was not enough to keep one man busy; but there was a great hue and cry raised throughout this Nation to take this power away from men of high character, men in high office, and put it in the hands of somebody who was to be appointed by the Executive.

When they talk about intimidating the Power Commission I want to know if that is any worse than the Executive undertaking to intimidate a coordinate department of this Government, as is being done in an instance of this kind? I do not assume that the gentleman's amendment, if adopted, is going to be effective. If they recall these commissioners they will be paid as a matter of course for the time they have served, but the great purpose of the amendment is to call the attention of the American people to the domination of the executive department of this Government at a time like this, and it will be more effective in that way than in any other. By declining to pay the salary of these men who rushed in there and undertook to expel from their department the most efficient servants they had before the matter could be thoroughly investigated we will call attention to the situation in this commission, and in this way the gentleman's amendment will be very effective and very well worth while.



I want to say to the gentleman that if he will get the men on his side of the aisle to join with the representatives of the American people on this side of the aisle to hurl back this advance of the Executive of this Government in infringing upon the rights of the legislative department, then he will have done a very great work. I want to say to the gentleman that we will join hands with him. It is not a matter of the particular individuals who are now under fire, if they are under fire; it is not the fact that these particular men have been appointed on this commission; but it is the manner in which they began to discharge their duty under the lash of the executive department of this Government that I resent, and I join with the gentleman on that side of the aisle and ask him, when he presses his amendment, to get his people on his side of the aisle to join with us in putting back into the hands of the American people the power that the Constitution gives them, and we will help the gentleman all we can. [Applause.]

Mr. HOCH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and members of the committee, I do not rise to discuss the power question or the Power Commission. That is not the issue here at all. I know it is a subject you can hardly make any reference to without being open to misrepresentation. I may simply say, in passing, that as far as the dispute which existed within the commission between Mr. Bonner and the other two employees, Mr. Russell and Mr. King, in so far as I understand the dispute, my sympathies were with the two employees as against Mr. Bonner, but that is not what we have before us here at all.

We do not have before us an amendment which proposes to withhold the salaries for anything which the commissioners have done or for anything which they may do. What do we have? We have a proposal that the appropriation shall not be paid if anyone either starts or authorizes ouster proceedings. I do not know what the amendment means by "authorizing ouster proceedings." I do not know what the gentleman has in mind by authorizing ouster proceedings. I do know what the institution of ouster proceedings involves. We would have the absurd situation, if this amendment should be adopted, that anyone who is authorized by law so to do might start ouster proceedings, anyone who is in a position to do so can, for any reason he desires, start ouster proceedings, and the amendment proposes that whatever his motives may be, whatever purpose he may have in mind, or whatever the circumstances may be, when anyone who happens to be in a position to start ouster proceedings decides to start such ouster proceedings, then automatically it shall be unlawful to pay any part of the salary of the Power Commissioners.

Certainly it would be a strange thing to put into the hands of any person such power to stop the salary of a public official. Why, the official who could start ouster proceedings might start them because of a position directly contrary to that of the gentleman who proposes this amendment. He might at some time in the future have something in mind against the commissioners as to which the gentleman who proposes this amendment would strongly disagree with him. And yet we would have a statute that the minute he started the proceedings—whatever his motive—or the minute some one had authorized such proceedings the payment of the salaries would automatically be stopped. Certainly we ought not to put on an appropriation bill any such absurd provision as that, giving to some administrative officer any such arbitrary power.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word of the amendment.

Mr. Chairman, at the time this legislation creating the Power Commission was in preparation I opposed it vigorously. I knew just exactly what influence would be exerted by the power monopoly of the United States. I had had some intimate experience with the power commission of the State of Texas.

In a public hearing that was held in my home city of Abilene, Tex., at which I interrogated the chairman, it was clearly demonstrated that the chairman of the power com-

mission of the State of Texas was under the direct influence and control of the Insull interest of Chicago, and the Insull interest is just a mere thread that emanates from the hub of this tremendous spider-web monopoly of the great Power Trust.

Samuel J. Insull had bought up what he thought were the rights along the great Colorado River that runs through my State. He had served notice on the cattlemen of Texas that on their own ranches, some of them containing 100,000 acres, they could not dam up a branch to get water for their cattle because, forsooth, the land within their ranch inclosures formed the watershed of the Colorado River and he owned all the water that fell upon that watershed. It interfered with his power rights, and in that hearing that occurred in my home city, when we demonstrated that the chairman of that power commission was under his domination and control, we broke up this attempt of outsiders to dominate and control the water and the lands of the people of my State.

We ought now to break up this national domination. We know what the Senate is going to do when the bill goes over there. We know they are going to stop payment of these salaries, and they will hold the bill up until something hot freezes over in the summer time before they let these salaries get back. What are we going to do? Sit here as representatives of the people and disregard their interests and pass the buck to another body? We ought to look out here for the interests of our own people.

I called the attention of the gentleman from New York [Mr. LA GUARDIA], who has stood here at times almost single-handed fighting for the people against the Power Trust—I called his attention to the fact that, after all, we are the real representatives of the people of this country. We come fresh from the people every two years and we go back to them every two years and submit our record for approval.

Mr. MORGAN. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. MORGAN. Is it the gentleman's sincere belief that there is a Power Trust?

Mr. BLANTON. I am surprised that the distinguished gentleman should ask such a question. Surely he is not that blind.

Mr. MORGAN. I would like to have the gentleman, for my information, put in the RECORD what it consists of and by whom it is operated.

Mr. BLANTON. I wish the gentleman from Ohio would read the speech of the distinguished Senator, Mr. WALSH, in last Friday's RECORD. I wish he would go back to the last Congress and read the information he put there—of the spider web with all its webs emanating from its main hub into every little town and hamlet in this country where they control the public utilities of the Nation.

They control not only the gas price to poor people but they control the water charges and the electric-light charges and the street-car fares. They also control the ice charge. Why, in some parts of my State dominated by the Power Trust the people of the country are paying 75 cents a hundred for ice, when we know that in other parts of the State not controlled by the Power Trust, where the independent operators are, you can get ice for 20 cents a hundred.

We must furnish the public utilities to the poor people of this country at a minimum cost. You must take the power from this great monopoly. I am in favor of doing what we are going to permit another body to do, to stop the salaries until the Senate can, by proper means, dispose of this question.

Mr. SUMMERS of Washington. Mr. Chairman, I ask unanimous consent that all debate now close.

Mr. COCHRAN of Missouri. I want three minutes.

Mr. SUMMERS of Washington. I ask unanimous consent that all debate on this paragraph close after three minutes.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that all debate on this paragraph and amendments thereto close in three minutes. Is there objection?



Mr. KVALE. Reserving the right to object, is the request on the paragraph or on the amendment?

The CHAIRMAN. On the paragraph.

Mr. KVALE. I object.

Mr. SUMMERS of Washington. I will limit it to the amendment.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that all debate on this amendment close in three minutes. Is there objection?

There was no objection.

Mr. COCHRAN of Missouri. Mr. Chairman and members of the committee, as I see it the question involved here is whether a part of the legislative branch of the Government is to be permitted to legislate under the rules it has adopted or must bow to the will of the Chief Executive. This is no trivial matter. It involves a principle far greater than the employment of any individual by the Government.

The Senate rules provide that a motion to reconsider a nomination can be entered on the same day on which the vote was taken or on either of the next two days of actual executive session. A motion to reconsider the nominations in question was entered in accordance with the rules of the Senate on the next executive day following confirmation.

I have been around here many years and I know not once, but time and time again, the President of the United States has requested the Senate of the United States to permit him to withdraw certain nominations which he had sent to that body.

I want some man in this House to rise and call my attention to one instance where the Senate has ever denied that right to the President. In every instance the Senate has promptly complied; and, so far as I know, has never asked the President for his reasons for desiring to withdraw a nomination.

Mr. MICHENER. Will the gentleman yield?

Mr. COCHRAN of Missouri. Yes; with pleasure.

Mr. MICHENER. Did that ever occur after the Senate had taken formal action or confirmed the nomination, or even before they had reported?

Mr. COCHRAN of Missouri. That may all be true, but the nomination had been submitted to the Senate and the request to withdraw could only have followed after the nomination was in the hands of the Senate. The President makes such a request and the Senate always complies. It is difficult for me to see why the President could not do likewise.

Simply because the clerk sent to the President a notice that the nominations had been confirmed before the next executive day had expired we find that the Senate and the President are in disagreement. There is no assurance that the House and the executive branch of the Government might not be in serious disagreement some day; and if that day ever arrives, I am sure the membership of this body will expect that the Senate support its contentions. The question of the fitness of the members of the board is not at issue here; it is a far bigger question.

Mr. HOCH. But the gentleman recognizes that in this case the President had not only been notified of the confirmation but these men had received their commission and had taken the oath of office and entered upon their duties.

Mr. COCHRAN of Missouri. But the clerk of the Senate notified the President of the United States before the next executive day had expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. PARKS) there were—ayes 37, noes 102.

So the amendment was rejected.

Mr. KVALE. Mr. Chairman, I move to strike out the last word for the purpose of inquiring of the chairman of the subcommittee with reference to some of the items here.

The hearings make note of the fact, for instance, that it is contemplated to dismiss one of the accountants. Does the chairman have any information on that other than what the hearings disclose?

There are only eight accountants at the present time, and to dismiss one of them, in the words of the present—perhaps temporary—chairman himself, would cause a serious loss.

Mr. SUMMERS of Washington. The chief accountant, if that is his official title, who was with the board previously and was dismissed, is again in the employ of the board. Does that answer the gentleman's question?

Mr. KVALE. No; it does not.

Mr. SUMMERS of Washington. There is a reduction of something over \$6,000, which, I believe, makes it possible to or is in line with reducing the force.

Mr. KVALE. A reduction in the force was not in the mind of Congress last spring when it passed the act which was to make a separate and distinct organization and end this practice of reaching over into all these other departments and picking up employees and having them assigned there to do that work.

They were to build up their own organization.

The hearings also disclose in this connection that at the close of 1929 there were 192 pending accounts that had not been adjusted. That has been brought down to 170, 22 in one year, and that is all they have been able to do to catch up on almost 200 applications. Still it is planned to dismiss one of these accountants.

Not only that, but the commissioners are nullifying the purpose of the solicitor's office by taking out the one man competent to handle that work, to make use of what statistics these accountants supply him with. I think it is ridiculous.

Mr. SUMMERS of Washington. The gentleman from Minnesota, of course, is getting beyond the province of this subcommittee in some of the matters to which he is alluding.

Mr. KVALE. No, I am not; because I am asking about these figures, and the figures disclose that there is a reduction in the bill from last year of \$27,000. But if you consider the fact that you are paying an additional \$60,000 in salary items, \$50,000 for the new full-time commissioners and \$10,000 for secretarial hire, that actually becomes a reduction of \$87,000 from the \$283,000 that the Federal Power Commission had at its disposal last year, or a reduction of 30 to 35 per cent. We had supposed last spring we were providing for a separate and distinct organization to carry on this work in a competent way. That is what alarms me.

Mr. SUMMERS of Washington. The gentleman realizes that this commission has been appointed only a little while. Conditions have been rather chaotic, and the estimates brought before us were the most detailed that they were justified in presenting at this time. It does reach into the different departments for some of the personnel.

It is possible that that personnel may be transferred to the Power Commission later, but our understanding is that they are meaning to proceed rather slowly and cautiously in the building up of an organization, and these accounts to which the gentleman referred are being brought up to date, and they believe they are going to make splendid progress from this time forward.

Mr. KVALE. My point is that they have gained only 22 out of a total of 192 in the space of one year in this accumulation of old applications over applications that have come in. That is going slowly enough, I submit, without further reducing the accounting force.

Mr. SUMMERS of Washington. The gentleman must realize that they were aware that this new legislation was going to take effect soon, and it was explained to us that work did not progress during the last year, even before these commissioners were appointed, as it should under normal conditions. Much of this delay resulted from that condition, that transition period which was anticipated and delayed progress.

Mr. KVALE. I think that is one of the many misinforming places in the testimony of the chairman of the commission before the subcommittee, but I do not want to take up the time of this committee now to discuss that. I withdraw my pro forma amendment.



The Clerk read as follows:

FEDERAL TRADE COMMISSION

For five commissioners, at \$10,000 each per annum, and for all other authorized expenditures of the Federal Trade Commission in performing the duties imposed by law or in pursuance of law, including secretary to the commission and other personal services, contract stenographic reporting services to be obtained on and after the approval of this act by the commission, in its discretion, through the civil service or by contract, or renewal of existing contract, or otherwise, supplies and equipment, law books, books of reference, periodicals, garage rental, traveling expenses, including not to exceed \$900 for expenses of attendance, when specifically authorized by the commission, at meetings concerned with the work of the Federal Trade Commission, not to exceed \$300 for newspapers, not to exceed \$200 for newspaper clippings, foreign postage, and witness fees, and mileage in accordance with section 9 of the Federal Trade Commission Act, \$1,731,766, of which amount not to exceed \$1,316,924 may be expended for personal services in the District of Columbia, including witness fees.

Mr. SUMMERS of Washington. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SUMMERS of Washington: Page 21, in line 9, after the word "act," insert "of which \$150,000 shall be immediately available."

Mr. SUMMERS of Washington. Mr. Chairman, that is in order to speed up the investigation, especially of the chain stores.

Mr. TILSON. Mr. Chairman, I rise in pro forma opposition to the amendment, which I do not intend to oppose. I note that there is an increase of \$181,000 plus in the total appropriation for this year for the Federal Trade Commission. I know and we all know that there are members on the Federal Trade Commission of ability, patriotism, and character, who are doing what they can do to benefit the business of the country. We have a right to assume that the commission is constituted and maintained for this purpose. But I have had a number of complaints in the last two or three years of some of the activities of the commission as a whole, which have taken almost the form of persecution of legitimate business rather than to aid and assist business. Sometimes it is through inaction and delay on the part of the commission that injury comes. I wish to inquire of the gentleman from Washington [Mr. SUMMERS], first, whether this commission has sufficient funds to carry on to a prompt conclusion its work, and then whether the money is going to be spent in an attempt to benefit and encourage business rather than to harass it?

Mr. SUMMERS of Washington. In reply, the gentleman is asking the chairman of this subcommittee—

Mr. TILSON. The gentleman has conducted the hearings.

Mr. SUMMERS of Washington. Yes; I assisted. The subcommittee decided, after a complete investigation, that it would be well to enable them, by giving them sufficient funds, to push along their investigation of the chain stores. That accounts for most of the increase found in the bill. The body at the other end of the Capitol is sending down resolutions from time to time asking investigations to be made. It takes perhaps an hour or 15 minutes to pass a resolution, but it takes years for the Federal Trade Commission to comply with the resolution and make the investigation. That has been occurring again and again. The commission is obeying the mandate of those resolutions to the best of its ability. We have given them some additional funds because we believed the Congress and the country wanted any benefits that were to finally come from the investigation of public utilities and chain stores.

Mr. TILSON. Without reference to the chain stores at all, because that is to be a new investigation, as I understand—

Mr. SUMMERS of Washington. No. They are in the midst of that and have been for the past two years.

Mr. TILSON. But the gentleman is aware that the commission has conducted inquiries into private corporations, and some of these investigations have been drawn out to what would seem to be inordinate length. The gentleman realizes that while these investigations are pending they disturb and seriously interfere with the normal business of these concerns and tend to destroy the value of their invest-

ments. This is not a time when we can afford to spend money from the Treasury for the purpose of further disturbing business. It seems to me these investigations ought to be undertaken only with care and discretion and should be closed up promptly with the purpose in view to encourage and promote business rather than to disturb it, especially under existing conditions.

Mr. SUMMERS of Washington. I think in order to settle finally and definitely the matter which the distinguished floor leader has in mind, we should have legislation saying that investigations should not cover more than a certain period of time. I agree that some of them are drawn out over a very long period, but that seems to be the best that they are able to do.

Mr. BYRNS. Mr. Chairman, in connection with the appropriation for the Federal Trade Commission, I think the two most important investigations now being conducted by that commission are those with reference to chain stores and the investigation of the so-called Power Trust.

The investigation of the chain-store system, to which I want to refer particularly, has been going on since 1928. Even under the increased appropriation which has been recommended by the subcommittee, and in turn by the full committee, the Federal Trade Commission does not expect to be able to make a final report before June 30, 1932, if then. In January, 1930, the deficiency Subcommittee on Appropriations held hearings on some estimates for additional appropriations, and in response to my questions we were told at that time that it was the hope and expectation of the Federal Trade Commission that the chain-store investigation would be completed by June 30, 1931, which was one year and a half from the date the statement was made; but we find them now saying it will take a year longer than they then anticipated would be required.

However, in justice to the Federal Trade Commission, I want to say that I do not know to what extent it has impeded their progress in this investigation, but I do know that the habit of the Senate in requiring additional investigations about this or that or some other subject in which a particular Senator is interested, and placing those duties upon the Federal Trade Commission, has resulted in forcing the commission to divide its forces to some extent, and thus delayed the completion of some investigations which they had under way. At least that is what they had to say to us. We know, as a matter of fact, that these additional investigations have been ordered by the Senate. Naturally the Federal Trade Commission feels that it could not ignore the requests and direction of the Senate. I think if the Senate wishes these investigations in the future, it should take steps in the same resolution to provide the necessary funds, so as not to interfere with the Federal Trade Commission in the work which is proposed to be done under the annual appropriation carried in this bill.

I do not know of anything more important than the chain-store investigation. [Applause.] I do not know whether it will do any good and neither do you. I do know that something ought to be done, if it is possible for anything to be done, to check the growing tendency and growing effect of crowding out the small, independent business men throughout this country. [Applause.]

I think the interests of the country demand that this Congress, if there is anything it can do, shall do something to bring that about. If Congress can not do it, perhaps this investigation might disclose something which would enable the various State legislatures to take action. But, gentlemen, I think it is a reflection that three or four years have elapsed and we are now a year and a half removed from the final investigation and, while all of that is being done, while all of that delay is taking place, the effect I have mentioned is growing throughout the country. I hope that this increased appropriation will enable the Federal Trade Commission to get to work and quickly complete the chain-store investigation and possibly others. I hope the Federal Trade Commission will understand that is the purpose for which this increased appropriation has been put in this bill, without an estimate from the Budget Director and that the



House expects this investigation shall be carried forward to early completion, because, until it is done, I fear we can not hope for any remedial relief.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. STAFFORD. I ask unanimous consent, Mr. Chairman, that the gentleman from Tennessee be allowed to proceed for two additional minutes.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. BYRNS. It was for the purpose of ascertaining what remedial relief could be had that this appropriation has been carried during the past three or four years. Perhaps we may hope that the Department of Justice will give this important matter some attention after a report has been made. It should have taken action some time ago. But while the Federal Trade Commission is delaying and the Department of Justice is failing to enforce the provisions of this law against combinations the small business man finds himself driven out of business.

Mr. WOODRUM. Mr. Chairman, ladies and gentlemen of the committee, this increase of \$150,000 in the appropriation for the Federal Trade Commission was initiated by the subcommittee and for the very specific purpose of trying to remedy the situation alluded to by the gentleman from Connecticut [Mr. TILSON] and the gentleman from Tennessee [Mr. BYRNS].

You will recall that when this bill was being considered last year there was added by the committee \$150,000 for the purpose of speeding up the chain-store investigation, and when the Federal Trade Commission came before our committee we asked them when Congress might expect a final and complete report on the chain-store investigation.

They started out to relate to us how their work had been impeded by a number of resolutions of inquiry coming down from another body each year, requiring some of their personnel to be assigned to it, and to set up a new organization and go into a long detailed investigation, and that that had a tendency to slow up the chain-store investigation, also the fire which they had.

But they did tell us that if we gave them this \$150,000 they could have a pretty substantial report for Congress by the 1st of December, and practically a complete report by June, 1932.

Mr. STAFFORD. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. STAFFORD. In the last several years we have been appropriating millions of dollars for the Federal Trade Commission with the understanding that they would utilize a proper amount for the investigation of the chain stores. Can the gentleman inform the committee as to how much money they have utilized for that purpose?

Mr. WOODRUM. The gentleman inquires how much of the total appropriations for the Federal Trade Commission is used for the chain-store investigation?

Mr. STAFFORD. Yes.

Mr. WOODRUM. I can not give the gentleman that breakdown, and I do not believe the Federal Trade Commission could give a breakdown in regard to the various investigations being made. I think it would be practically impossible to do that, because their clerical force would be engaged in handling a half dozen investigations. However, the purpose of the \$150,000 last year was to enable the commission to concentrate on this chain-store investigation. The chain-store investigation is quite a comprehensive inquiry. The Federal Trade Commission sent out something like 7,500 questionnaires to various chains of various commodities all over the United States, in order to try to get a true picture or cross section of their activities. The information which came back was very voluminous, and that had to be followed by personal investigators in order to get the exact information they wanted. A great deal of that information has been collected and tabulated, and they are right in the process of being able to get together some definite reports on these numbers of things they are inquiring about. So the committee determined this year to give them

as much money as they could judiciously and economically use in speeding up this investigation.

Mr. STAFFORD. In view of the fact that the Federal Trade Commission must have taken cognizance of the fact that last year the House increased this appropriation over that reported by the committee to the extent of \$150,000 for the special purpose of the chain-store investigation, what assurance have we now that they will not divert the \$150,000 additional you are providing in this bill? There is no provision in the bill to the effect that so much money shall be used for chain-store investigations.

Mr. WOODRUM. What suggestion would the gentleman make? He is a wise legislator.

Mr. STAFFORD. I would suggest—

Mr. WOODRUM. Let me proceed. The gentleman asked me a question, so let me answer it.

Mr. STAFFORD. The gentleman also asked me a question.

Mr. WOODRUM. When a resolution goes down to the Federal Trade Commission from the Senate asking that a certain inquiry be made on a particular subject the commission has no alternative except to undertake to carry on that inquiry in the best way they can, with their present personnel.

Mr. STAFFORD. The gentleman asked what I would suggest. The hearings are wanting as to how much money is being used for these respective purposes. The Congress understood a year ago and the year before that the main inquiry would be as to chain stores and power utilities, yet there is nothing in the hearings to show how much is being utilized for the main inquiry. That being so, how can the gentleman from Virginia expect me to propose an amendment that would confine their activities to a certain inquiry, namely, the chain-store investigation, when the hearings are without definite information?

Mr. WOODRUM. The committee determined to give \$150,000 additional in order that the chain-store investigation might be speeded up. That was made clear by the committee, and if the gentleman can make that any plainer than the language is at present I would be glad to have him do so.

Mr. STAFFORD. We had hearings on the floor and added an extra \$150,000 last year.

Mr. WOODRUM. We had no hearings on the floor of the House. That was put in by the committee.

Mr. STAFFORD. The amendment adopted by the House was for the purpose of the chain-store investigation.

Mr. WOODRUM. If the gentleman will turn to page 435 of the hearings he will find a complete set-up as to that, showing just what progress has been made—

Mr. BEEDY. Mr. Chairman, I rise in opposition to the pro forma amendment, and I ask unanimous consent to address the committee for five minutes out of order.

The CHAIRMAN. The gentleman from Maine asks unanimous consent to address the committee out of order. Is there objection?

Mr. WOODRUM. Mr. Chairman, reserving the right to object, there is no gentleman on the floor of the House for whom I have a warmer personal regard, but I hope my friend from Maine will not insist upon this request, because we are making practically no progress with our bill, and we are very anxious to finish it. The gentleman knows that if he is permitted to speak out of order there will be other requests to speak out of order.

Mr. BLANTON. The gentleman knows that in about three weeks we will be holding our hands, waiting for another body to catch up.

Mr. WOODRUM. The gentleman works too hard, and he needs a rest.

Mr. BLANTON. I can stand it.

Mr. TILSON. I join with the gentleman from Virginia in the hope that the gentleman will not press his request at this time.

Mr. BEEDY. Although I take little time of the House or the committee, I desire at all times to cooperate with



those in charge of legislation, so I will withdraw my request at the present time, but I shall renew it if I find we are making progress with the bill, as I thought we were.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

Mr. PARKS. Mr. Chairman, reserving the right to object, I would like to ask the majority leader a question.

Mr. BLANTON. Mr. Chairman, I do not yield for this colloquy.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes. Is there objection?

Mr. PARKS. Mr. Chairman, reserving the right to object, I want to ask the majority leader if he thinks the objection to the gentleman from Maine making a speech out of order would retard the bringing in of this \$25,000,000 item for the Red Cross from the Committee on Appropriations.

The regular order was demanded.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, we learn from the distinguished gentleman from Tennessee [Mr. BYRNS] who is the ranking minority member of the Committee on Appropriations, that the two main investigations now being carried on by the Federal Trade Commission are against the Power Trust and the chain stores.

I do not know what has caused it, but for some reason they have displeased the majority leader, our friend from Connecticut [Mr. TILSON]. The gentleman said he was not referring to the chain-store investigation and inasmuch as he saw fit to take the floor against the La Guardia amendment, I presume it is the other investigation that has displeased him. The gentleman [Mr. TILSON] stated to the chairman of the subcommittee, our friend from Washington, that he was afraid the Federal Trade Commission was persecuting some business or some corporation, that it was going too far, and so forth.

I am afraid that such a statement coming from the majority leader of this House will have the effect of intimidating and stopping the Federal Trade Commission from pursuing its proper investigation of the corporate monopolies of the country. A clerk who reads carefully the record of each day's proceedings, and tells each department and independent office what is going on, affecting them each day in both branches of the Congress, and if it finds out that the majority leader of the House has become displeased with their investigation, I am afraid that may have the effect upon the Federal Trade Commission of suspending their investigation with reference to the particular corporations concerning which their investigation has displeased the majority leader.

I am sorry the gentleman has made this comment. When we organized and created the Federal Trade Commission it was a nonpartisan body. It was presumed to take orders from nobody. It was presumed to do its duty and carry its investigations wherever the truth led them, and I hope they will understand that this comment by the majority leader should not retard or interfere or hamstring them in any way in their proper investigation of the Power Trust of the United States. [Applause.]

The CHAIRMAN. The question is on the amendment of the gentleman from Washington.

The amendment was agreed to.

The Clerk read as follows:

For carrying out the provisions of the public resolution entitled "Joint resolution authorizing an appropriation for the participation of the United States in the preparation and completion of plans for the comprehensive observance of that greatest of all historic events, the bicentennial of the birthday of George Washington," approved December 2, 1924 (43 Stat. 671), and all other activities authorized by the act entitled "An act to enable the George Washington Bicentennial Commission to carry out and give effect to certain approved plans," approved February 21, 1930

(46 Stat. 71), including personal services without reference to the classification act of 1923, as amended, and civil-service regulations, traveling expenses, furniture and equipment, supplies, printing and binding, rent of buildings in the District of Columbia, and all other expenditures authorized by the above acts, fiscal year 1931, \$338,195, to be available until expended, for each and every object of expenditure connected with the celebration notwithstanding the provisions of any other act relating to the expenditure of public moneys, upon vouchers approved by the chairman of the executive committee, or such person as may be designated by him to approve vouchers: *Provided*, That nothing contained in this paragraph shall be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit.

Mr. WARREN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WARREN: Page 24, line 5, at the end of the section, add the following: "*Provided further*, That no part of the appropriations made herein or heretofore made shall be used for the payment of the salary of any member or any associate director of said commission, and no member of the commission or any associate director shall receive for traveling or other expenses in excess of the sum of \$1,000 each per annum."

Mr. WARREN. Mr. Chairman, ladies and gentlemen of the committee, in the few remarks I have to make on this matter, I proposed to discuss it on the high plane upon which it is entitled to be considered. It is hardly necessary for me to reiterate what I said on the floor yesterday, that this matter is purely impersonal. I think there is a question not only of policy but of principle involved.

In 1924 we created the George Washington Bicentennial Commission. I think we are all in agreement that a fitting celebration of this great event is most proper and laudable and that it will instill patriotism in our citizens throughout the country and give us a finer and a better conception of the Father of our Country. Acting under this and subsequent legislation a commission was appointed, composed of four Members of each House and eight presidential commissioners. In furtherance of their work they saw fit to appoint two associate directors and named as one of these gentlemen that able soldier and splendid gentleman, Col. U. S. Grant. The other associate director is the gentleman from New York, Mr. BLOOM, who was picked on account of his wide experience in promoting and handling affairs and celebrations of this nature. I call the attention of the committee to the fact that both of these associate directors served without pay and without any compensation whatever.

Recently Colonel Grant has resigned, and shortly after his resignation was accepted, and without any meeting whatever of the commission where the matter could be discussed, we see in the papers that the spokesman of the President announces at the White House that the gentleman from Michigan [Mr. CRAMTON] has been selected as associate director at a salary of \$10,000 per annum.

Now, having observed the able work of the gentleman from Michigan in this House, his zealous guarding of the Treasury—and I say this entirely in a complimentary manner—knowing what a stickler he has been for congressional authorization, I do not believe that he would desire to stand by and see a sinecure deliberately created for him.

No one in this body has any objection in the world to the gentleman from Michigan being associate director of this commission. But surely the House can appreciate the fact that if he accepts it should be without remuneration and that he should be on the same plane with the other associate director.

There are a thousand patriotic citizens throughout the land who would welcome the chance of rendering a great public service and gladly do it as a labor of love. The attempt to create the office and fix the salary without action by the George Washington Bicentennial Commission is indecent and beyond propriety. The adoption of the amendment I have offered will prevent it. [Applause.]

Mr. MAPES. Will the gentleman yield?

Mr. WARREN. I yield.

Mr. MAPES. The gentleman does not think anybody will be employed as an associate director without definite and positive action by the commission, does he?



Mr. WARREN. I would hope that he would not, but I called attention to the fact that it was given out by the spokesman of the President at the White House that the appointment had been made.

Mr. MAPES. Without reference to what has been given out, the gentleman knows, does he not, that the individual members of the commission have discussed the matter, and that they think somebody should be secured who can give his active and entire time to the work of the commission? The gentleman does not think that anyone will be willing or is going to take up the work without a formal, definite, and positive action by the commission; does he?

Mr. WARREN. I am not aware of what the gentleman has stated, although I have talked with two members of the commission. They did not tell me that. We have already appropriated over \$700,000 for the celebration. I have no objection to that. But I do say that this commission ought to be limited in creating this new position for an associate director at \$10,000 when Colonel Grant and Mr. Bloom have been giving their services since it was first created. [Applause.]

Mr. MAPES. Colonel Grant had to resign because he could not, in addition to his other duties, devote sufficient time to the work of the commission.

Mr. WARREN. I had not heard of that.

Mr. MAPES. It seems to me that the gentleman should have made a more thorough investigation of the matter before he makes his statement.

Mr. WARREN. I have carefully investigated it.

Mr. SUMMERS of Washington. Mr. Chairman, the RECORD will disclose that an interesting statement was made by the gentleman from New York [Mr. Bloom] as to the widespread plans of the George Washington Bicentennial Commission, and the work they are to carry on during the next year and a half. It seems to me that we have never known or heard of a plan as comprehensive for carrying a patriotic activity to the crossroads, the highways and the byways, to every schoolhouse and club and church and civic organization as has been mapped out and well-mapped out by this commission.

We all know that a thing of that kind has to acquire great momentum within a short time and that it will not take care of itself.

While one member of the commission, Mr. Bloom, is a Member of Congress and can draw but one salary, Colonel Grant also is drawing a salary and was giving much of his time, and has now resigned because he could not devote sufficient time to it.

My understanding is that the associate director will give his whole time to this work probably in contacting the different groups about the country in carrying out the plan better than it can be done otherwise.

Mr. WOODRUM. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. WOODRUM. The gentleman says that the associate directors will do thus and so: Where does he get his information? There is no evidence in the hearings before the committee.

Mr. SUMMERS of Washington. There was no statement before the committee but I am speaking from common knowledge.

Mr. WOODRUM. Does not my colleague agree with me that so far as the hearings went the plans for the celebration are going forward in every way, and now there does not seem to be any reason for creating a salaried position for anybody. These activities are being carried forward by men who are giving their time to make a splendid celebration.

Mr. SUMMERS of Washington. I have just paid my tribute to the work being done, and have also referred to the fact that Colonel Grant has had to resign from the commission because it imposed more duties than he could take care of. Mr. Bloom is giving practically his whole time to this work, earning a very generous salary, but, of course, getting nothing for it, because he is a Member of the House. The one who fills this position will have to be either a public official who is on some pay roll and who neglects his other duties in order to give his time to this, or

else we will have to put some one in that position and pay him for it and let him devote his time to it during the next year.

Mr. WOODRUM. Does the gentleman understand that any action has been taken by the Bicentennial Commission to employ an associate director at a salary?

Mr. SUMMERS of Washington. I am not advised in regard to that. I know nothing about it except what all others know, what we have read in the press, and our knowledge that Colonel Grant has retired, and that somebody must do a very arduous work.

Mr. RAGON. Mr. Chairman, will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. RAGON. Has the gentleman considered the impropriety of suggesting that this assistant director be selected from among the Members of Congress who have been active in these appropriations? Could we not go outside of the Members of Congress to get some one if we have to have some one on a salary?

Mr. SUMMERS of Washington. My answer to that is that the gentleman who is supposed to be named as associate director is not on this subcommittee and, I dare say, has never spoken to any member of the subcommittee, certainly not to me, in regard to it, and I think to no other member; but we all know of his very great interest in developing the National Capital, and Mount Vernon, and the Mount Vernon Highway, and the George Washington Memorial Parkway, and all of those things, and that he does have unusual ability in organizing and pushing through these projects.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. RAGON. Mr. Chairman, I ask that the gentleman have two additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAGON. In order to govern our future action, I ask the gentleman what his reaction is to the propriety and ethics of a man sitting here on the floor of Congress voting appropriations for the creation of certain commissions, and then for some reason or other accepting a position on those commissions, which position is not provided for by law?

Mr. SUMMERS of Washington. I think the records will show that this has occurred at both this end and the other end of the Capitol many times in past years, when it affected a Member at a later date when he was not a Member of Congress.

Mr. GARNER. That does not answer the question of the gentleman from Arkansas as to what the gentleman from Washington thinks about the ethics and propriety of such a move.

Mr. SUMMERS of Washington. I am not here passing on ethics. I am talking about what is the common practice and what has been done, and certainly if that has been the practice under all administrations over many years, then at least I see nothing unusual in it.

Mr. GARNER. Will the gentleman yield to me?

Mr. SUMMERS of Washington. Yes; I yield.

Mr. GARNER. Has the gentleman made any inquiry concerning the probability of this appointment being made from the membership of this House by the commission that was appointed, selected to report to Congress—and I name them, the Speaker of the House of Representatives, the majority leader, the gentleman from Tennessee [Mr. BYRNS], and the gentleman from Virginia [Mr. MOORE]—and I have forgotten the other one on the other side. I think this is a matter the House is entitled to know about, and I think the House should be informed as to whether or not this commission, whose duty it is to guide the President and to cooperate with him, was consulted. The President is merely chairman of the commission. Does the gentleman know whether or not this commission was consulted before the statement was made that the President was going to make a certain appointment?

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. GARNER. Mr. Chairman, I ask to be recognized.



The CHAIRMAN. The Chair recognizes the gentleman from Texas.

Mr. GARNER. I remember distinctly, and I am sure the Speaker of the House will remember, and also that Mr. BYRNS and Mr. TILSON will remember, because they were there, that when a program was laid out by the vice chairman, Senator PHIPPS, and taken to Mr. Coolidge for the purpose of putting through that commission, we defeated it because the majority of the commission did not agree with it.

I am wondering whether the membership of this committee have come to the point where they are ignored entirely by the President in selecting the employees of the commission.

If this commission has been consulted, and if they have arrived at a conclusion that this is necessary, then we ought to have that information so the House might act intelligently on this amendment. I suggest to the members of the commission that they express themselves with reference to the propriety of this amendment and of this appointment, because they represent the House of Representatives, and were appointed for that purpose.

Mr. SUMMERS of Washington. This matter never came before our committee in any way, shape, or form, and we did not consult the commission in regard to a position of that kind. It was not discussed with us, and no additional appropriation was made. I invite the attention of the gentleman from Texas to the fact that it did not include any additional appropriation. We simply made the appropriation which was submitted by the Budget and which Mr. BLOOM as acting chairman pointed out to us and which we believed from his testimony was needed for carrying out the work. We have not added anything additional for any salary, and if any salary is paid, it will be paid from funds that would have been appropriated any way and not from any additional fund.

Mr. GARNER. Mr. Chairman, I happened originally to be a member of this commission and I shall give the membership a little of the history of it. Mr. GILLET was Speaker of the House of Representatives and this commission was created, and it was understood among the membership of the House that it was to be of very little expense to this Government.

Mr. GILLET, understanding that, asked Mr. Garrett, the leader on this side of the House, to select two members whom he thought would hold down the appropriations. If I understood it correctly, and I think I did, he selected two members from the other side of the House, with the same viewpoint. There was very little expenditure for two or three years. Then there was one proposition that was held up and passed over from one session to another, with reference to a boulevard. We thought that would be all the expense we would have; but the first thing we knew it came along where it was \$180,000, as I recall. That was on account of preparing certain literature to be distributed throughout this country, especially through the public schools and other civic organizations, which would be beneficial in giving a history of the Father of our Country. Now we come along, and, as I recall, there are \$300,000 appropriated, a lump-sum appropriation.

I call upon the membership of this House who served here at the time to state that no appropriation was ever made contemplating a salary such as is proposed for a paid commissioner in this instance. I await an answer, whether we ever contemplated any such appropriation as that? I undertake to say we did not, and the discussions of that commission will show that no such appropriation was ever intended. That is the reason I favor this amendment.

If this commission had been consulted, and after due deliberation the commission had come to the conclusion that this should be done, it would have been very persuasive, because there are five Members of this House who are members of that commission and they are very distinguished gentlemen. They give very honest and wise consideration to every proposition made to them. If they had come here and said, "After thorough consideration of this matter we think it is necessary to employ a man at a salary of \$10,000,

and we believe the most available man is the gentleman from Michigan [Mr. CRAMTON]," that would have been quite persuasive; but no such state of affairs exists.

Mr. TILSON. Mr. Chairman, I am a member of the George Washington Bicentennial Commission and have been from the beginning. My colleagues of this House who are also members of the commission are the gentleman from Oregon [Mr. HAWLEY], the gentleman from Tennessee [Mr. BYRNS], and the gentleman from Virginia [Mr. MOORE]. We are also members of the executive committee of this commission. It is one of the duties of the executive committee to select directors for the celebration. The matter of selecting an associate director to take the place of Colonel Grant, who has recently retired owing to pressure of other duties, was considered by the commission at a meeting held two or three weeks ago. It was only tentatively considered at that time. Another meeting was set for last Wednesday, at which the matter was again referred to, and then it was agreed that it might go over until to-morrow, at which time the executive committee of the commission will have another meeting. At this meeting it is expected to take up and consider the question of an associate director to take the place of Colonel Grant. The name of the gentleman from Michigan [Mr. CRAMTON] has been mentioned. Not that he brought it up or that anyone representing him brought it up, but in looking about for a man of ability and character, a man who would be able to take hold of an enterprise of this character and give valuable service, the gentleman's name was mentioned and considered. No action was taken, however, and the matter is still pending before the executive committee.

Mr. GARNER. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. GARNER. Then, if I understand, the purported report from the White House by the President's spokesman is unauthorized by the commission?

Mr. TILSON. I am definitely informed that the White House had nothing whatever to do with that report, and I know personally that the White House has made no effort to control the selection of this director. It was an unfortunate slip [laughter], not caused by the White House or the commission but by a misunderstanding of a representative of the press.

Mr. GARNER. No. If I recall, the vice chairman, Senator FESS, acting in his capacity, just came from the room of the President and announced to the newspaper men that Mr. CRAMTON would be employed at \$10,000 a year.

Mr. TILSON. No. That is incorrect. The Senator from Ohio assured me that such was not the fact at all; the published statement was far from the facts in the case.

Mr. GARNER. I have heard it stated that the most reliable newspaper men in this country are around the White House.

Mr. TILSON. I understood that the newspaper man who made the "slip" to which I referred received the report second hand and, acting in perfect good faith, gave out the statement; but it was entirely inaccurate.

Mr. RAGON. Will the gentleman yield?

Mr. TILSON. I yield.

Mr. RAGON. I understood the statement was given by Senator Fess to the newspaper men; not to one, but to several; that subsequent to that Senator Fess denied having given out the statement; but from what source and how did it come about that the minds of the newspaper men conjured up such a story and connected it up with a gentleman here in the House?

Mr. TILSON. I think I can explain that if the gentleman will allow me. The subject had been discussed at a meeting which was held just a few minutes before Senator Fess went to the White House, and when he went in to see the President, doubtless in connection with the matter—the President being ex officio the chairman of the commission, and Senator Fess being chairman of the executive committee—undoubtedly Senator Fess told the President that Mr. CRAMTON was one of the men whom the executive committee was considering.



Mr. RAGON. Well, did the executive committee composed of you five gentlemen ever discuss Mr. CRAMTON?

Mr. TILSON. As I stated earlier, Mr. CRAMTON's name had been mentioned informally, though, at first, without his consent or knowledge.

Mr. RAGON. Did the commission discuss anyone else?

Mr. TILSON. Yes, indeed. A number of other gentlemen were spoken of.

Mr. RAGON. Were they Members of the House?

Mr. TILSON. They were not.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Connecticut be extended for three additional minutes. I would like to ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. MAPES]?

There was no objection.

Mr. MAPES. My understanding, Mr. Chairman and members of the committee, is that the initiative in this matter was taken entirely by the members of the commission and not at the instance of my colleague the gentleman from Michigan [Mr. CRAMTON]. I would like to ask the gentleman from Connecticut if that is not true.

Mr. TILSON. I so understand it that Mr. CRAMTON knew nothing whatever about it at the outset.

Mr. MAPES. And that whoever else was to blame for any premature announcement that may have been made, it was not the gentleman from Michigan [Mr. CRAMTON].

Mr. TILSON. Certainly he is not to blame in any way, and he was not responsible for the giving out of such an announcement. As I have stated before, it was picked up secondhand.

If such an announcement had been given out under the circumstances it would have been a reflection upon the rest of the executive committee. If it had been true that Senator Fess had left us, after we had set a date on which to consider the matter again, and had gone straight to the White House and had there given out an interview that the matter had been settled, it certainly would have been an affront to the other members of the executive committee, and I should have so regarded it. But this was not the case, and I was assured at once that an error had been made, a grave inaccuracy, and that Senator Fess had not in fact given out any such interview at all.

Mr. WARREN. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. WARREN. What does the gentleman think of the propriety of action of this kind, the creation of a new job at \$10,000 a year for a Member who is retiring from the House, and who will succeed a man who is doing the work for nothing?

Mr. TILSON. Well, I had not thought of any impropriety whatsoever in connection with the matter. So far as I had considered his name at all, I had thought that Mr. CRAMTON would be a very valuable man; that his service in this House had demonstrated his great ability and his industry, and that his knowledge of affairs connected with Washington and vicinity was such as to commend him to the members of the commission. No impropriety whatever was thought of in connection with it. We were looking for some one who could do the job; do it creditably, and do it as this House would like to have it done. [Applause.]

Mr. SPEARING. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. SPEARING. Did the gentleman ever hear the expression, "There is a nigger in the woodpile"?

Mr. TILSON. Yes; but I am quite sure there is no Ethiopian within any degree of proximity to this woodpile.

Mr. SUMMERS of Washington. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that all debate on this paragraph and

all amendments thereto close in five minutes. Is there objection?

Mr. PARKS. Mr. Chairman, I object.

Mr. SUMMERS of Washington. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. LaGUARDIA. Mr. Chairman, I move to strike out the last word. I want to say to the Members who to-day are complaining of the heavy expense of the bicentennial celebration and of this commission that before we started on the program I moved a year ago, during the consideration of an appropriation bill, to cut down the expense and to limit the program. I offered an amendment reducing the appropriation before we embarked on the program, but I was overwhelmingly beaten, as I very often am in this House on amendments I offer. That being so, the House has therefore put its stamp of approval on the commission's program, and Congress is now committed to that entire program and must grant the appropriations asked for in the bill before us at this time. The commission, with the authority of Congress, has planned an elaborate program for the celebration. Congress must now provide the funds and otherwise cooperate.

All I want to say at this time is this: That with that program in mind and with the expenditures that it will entail it would be great economy and wisdom to have a man of the type and scholarly attainments of Mr. CRAMTON on that commission. [Applause.] We have all worked with Mr. CRAMTON and know not only of his industry but of his great ability and peculiar fitness for a position of this kind. I can not see any difference, frankly speaking, in my usual crude way, between an official of the Government drawing a salary for one position and devoting all of his time to work on the commission, thereby neglecting his other work. I would much prefer to have a competent man devote all of his time to the work of the commission and pay him an adequate salary.

Colonel Grant frankly stated that he simply could not continue the work and responsibilities of a codirector of the commission with the other work he had to do; that the calls upon his time as a director of the commission were so great he simply could not continue and resigned. Therefore there is the vacancy about which we are now discussing. I do not know whether Mr. CRAMTON has even been consulted in the matter. One thing I am sure, and that is that Mr. CRAMTON is not seeking the job, but the job is seeking Mr. CRAMTON.

Mr. CRAMTON has given a great deal of thought to work of this character. He has worked hard in this House. I know of no one who has better connections with the educational institutions of this country than he has, and I understand that cooperation with schools and institutions of higher education is one of the important parts of the program. Surely we have in Mr. CRAMTON a man of vision, experience, and training and surely no one will say that he is extravagant with public funds. I submit that no one has saved more money for his Government than the gentleman from Michigan during his term in the House and in the course of his duties as a member of the Appropriations Committee. [Applause.] Everyone in this House knows that the gentleman from Michigan and I seldom agree. We have crossed swords more times than any other two Members of the House. I am deeply interested in the success of the Washington Bicentennial Celebration. But if we are going to carry out the splendid program laid out by this commission with dignity, thoroughness, and success I say it would be a great thing if Mr. CRAMTON were made a member of this commission. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. I desire to ask whether it will only take a majority vote to confirm this Executive nomination?



The CHAIRMAN. The gentleman has not propounded a parliamentary inquiry. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken; and on a division (demanded by Mr. WARREN) there were—ayes 43, noes 105.

So the amendment was rejected.

The Clerk read as follows:

#### HOUSING CORPORATION

Salaries and expenses: For officers, clerks, and other employees (not to exceed \$12,180 in the District of Columbia and \$3,900 in the field), and for contingent and miscellaneous expenses in the District of Columbia and elsewhere, including blank books, maps, stationery, file cases, towels, ice, brooms, soap, freight and express charges, communication service, travel expense, printing and binding not to exceed \$150, and all other miscellaneous items and expenses not included in the foregoing and necessary to collect and account for the receipts from the sale of properties and the receipts from the operation of unsold properties of the United States Housing Corporation, the Bureau of Industrial Housing and Transportation, property commandeered by the United States through the Secretary of Labor, and to collect the amounts advanced to transportation facilities and others; for payment of special assessments and other utility, municipal, State, and county charges or assessments unpaid by purchasers, and which have been assessed against property in which the United States Housing Corporation has an interest, and to defray expenses incident to foreclosing mortgages, conducting sales under deeds of trust, or reacquiring title or possession of real property under default proceeding, including attorney fees, witness fees, court costs, charges, and other miscellaneous expenses; for the maintenance and repair of houses, buildings, and improvements which are unsold; in all, \$19,930: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding \$4,900 per annum, and only one person may be employed at that rate: *Provided further*, That no part of the appropriations heretofore made and available for expenditure by the United States Housing Corporation shall be expended for the purposes for which appropriations are made herein: *Provided further*, That the directors of the United States Housing Corporation of New York and the United States Housing Corporation of Pennsylvania may, with the approval of the Secretary of Labor, appoint the chief clerk or other officer of the Department of Labor to act as their president or as their immediate representative in charge of administrative work, such departmental officer to serve without compensation in addition to the salary of his official position, and the directors of these corporations may in like manner designate the disbursing clerk for the Department of Labor to act in a similar capacity for the corporations, and after such designation has been made all funds coming into the hands of said disbursing clerk shall be treated as funds of the United States to be accounted for under his official bond.

Mr. SIMMONS. Mr. Chairman, I make a point of order against that part of the paragraph beginning with the words "*Provided further*," line 15, page 25, down to the end of the paragraph, as legislation on an appropriation bill unauthorized by law.

Mr. SUMMERS of Washington. Mr. Chairman, we think this may come within the Holman rule. The effect of this language is to save several thousand dollars to the Treasury, and it was inserted in the bill, not in an attempt to place legislation in the bill, but to effect this purpose.

Mr. WOODRUM. Mr. Chairman, I hesitate to differ from the distinguished acting chairman of my subcommittee, but my attention was called to the fact that a point of order would be made to this paragraph, and while I am heartily in favor of the text as it is put in the bill, I am forced to the conclusion it is subject to a point of order and I wish to offer substitute language in the event the Chair holds it is subject to a point of order.

The CHAIRMAN (Mr. DOWELL). The Chair is ready to rule.

The rule is as follows, quoting part of clause 2 of Rule XXI:

Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

This proviso, as the Chair is able to read it, is legislation on an appropriation bill which is not authorized by law. There is, however, no way that the Chair can determine that this is a reduction in fact in the expenditure of the sums of money in the appropriation. In order to be justified as legislation on an appropriation bill, it must come within the provision of the rule heretofore quoted. The Chair can

not see where a definite retrenchment is made and therefore sustains the point of order.

Mr. WOODRUM. Mr. Chairman, I offer the amendment which I send to the desk.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: On page 25, line 15, after the word "herein," insert the following: "*Provided further*, That upon the approval of this act, the directors of the United States Housing Corporation of New York, and the United States Housing Corporation of Pennsylvania shall appoint the chief clerk, or other officer of the Department of Labor, to act as their president, or as their immediate representative in charge of administrative work, such departmental officer to serve without compensation in addition to the salary of his official position, and the directors of these corporations shall in like manner designate the disbursing clerk for the Department of Labor to act in a similar capacity for the corporations, and shall reduce the pay roll by not less than the annual rate of \$13,770."

Mr. SIMMONS. Mr. Chairman, I make the same point of order against the substitute proposal.

The CHAIRMAN. The Chair will be pleased to hear the gentleman from Nebraska on the point of order.

Mr. SIMMONS. Mr. Chairman, I will be very glad to present the reasons for the point of order, but my understanding is the burden is upon the gentleman from Virginia to show that he is offering a proper amendment.

The CHAIRMAN. The Chair will state to the gentleman that he is not familiar with the position of the gentleman from Nebraska on the point of order and the Chair would be pleased to hear the gentleman.

Mr. SIMMONS. If the Chair please, I have had the proposed amendment only a few minutes. It is obvious from the amendment itself, as offered by the gentleman from Virginia, that its sole intent and purpose is to propose and write new legislation, and in no wise to limit appropriations.

There is in the last clause of the paragraph offered a proviso that they shall reduce the pay roll by not less than the annual rate of \$13,770. No one would dispute the authority of the Committee on Appropriations to take this action, but I call the attention of the Chair specifically that accompanying this and having no relation whatever on the face of the amendment to the saving of any sum of money, there is a proviso, first, that the directors of the United States Housing Corporation of New York and the United States Housing Corporation of Pennsylvania shall do a number of things, the first of which is to appoint the chief clerk or other officer of the Department of Labor to act as their president. This has nothing whatever to do with the saving of any money.

Then also they are authorized to appoint the same clerk or some one else in the Department of Labor as the immediate representative of the Housing Corporation in administrative work. This has nothing to do with the saving of any money.

Then they also authorize the appointment of some department official in the Department of Labor to serve, without compensation in addition to the salary of his official position, and most certainly if he is to serve without compensation that saves no money on the face of it; and then the directors of the corporation shall in like manner designate the disbursing clerk for the Department of Labor to act in a similar capacity for the corporation.

All of this is admittedly new legislation, doing exactly the same thing that was undertaken by the proposed legislation that the Chair has just ruled out of order. It has nothing whatever to do with the last proviso in the bill that they shall reduce the pay roll by \$13,770.

Now, I call the attention of the Chair to a decision found on page 511 of the House Manual in which Chairman Hicks, Chairman of the Committee of the Whole House on the state of the Union, ruled upon this proposition.

It was in a ruling that had for its effect the curbing of the practice then in vogue of carrying legislative provisions on appropriation bills where there was objection to their being there. The rule laid down is this: "The limitation must not give affirmative direction." Here is a limitation that



in every clause in it gives an affirmative direction to administrative officers, giving them directions, authority, and power that they do not now have.

This decision says that the limitation must not impose new duties. Here are limitations that impose upon this clerk of the Department of Labor the duty of president of two housing corporations. It imposes upon him administrative work and it likewise imposes on the disbursing clerk of the Department of Labor certain duties that he does not now have and by law can not now perform.

Then Mr. Hicks further held that the proposal must not be accompanied by language not directly limited to the appropriation.

Now, all of this proposal, save the last clause, is language not directly limiting the appropriation, not having anything to do with the limitation of funds in the proposed amendment.

Now, let us take the questions of Mr. Hicks in that case in which Mr. Hicks asked these questions:

Does the limitation apply solely to the appropriation under consideration?

Most certainly it does not; the limitation itself has nothing to do with the appropriation under consideration.

Does it operate beyond the fiscal year for which the appropriation is made?

The answer is obviously that it does, because there is no provision in it limiting it to the fiscal year for which the appropriation is made.

Is the limitation accompanied by the phrase which might be construed to impose additional duties or permit an official to assume an intent to change existing law?

It is directly accompanied by direct instructions to certain officials to perform certain duties.

Does the limitation curtail or extend, modify or alter existing powers or duties or terminate or confer new ones?

That is what the limitation does do.

He further says that if it does, it must be considered that legislation is involved, for without the legislation the result could not be accomplished.

If the limitation will not fairly stand—

He says—

these tests, then, in my opinion, the point of order should be sustained.

Here you have, if the Chair please, a proposal to take certain officials and transfer functions imposed by law upon certain administrative groups and transfer those functions to other administrative groups with a series of affirmative legislative instructions, using the word "shall" in every instance. I think the point of order to this paragraph should be sustained, as was the point of order already ruled upon.

Mr. WOODRUM. Mr. Chairman, I do not intend to make any extended reply on the point of order beyond the statement that as I understand the rules of the House it is in order to place a limitation upon an appropriation. Inspection of the language in the amendment that I have sent to the desk shows that by directing certain things to be done there is a certain definite, specific limitation placed upon the appropriation made in this bill. It does not change existing law, because the activity appropriated for in the bill is already a part of the Department of Labor. I submit the amendment is in order and that the point of order should be overruled.

The CHAIRMAN (Mr. DOWELL). The Chair is ready to rule. The Chair a moment ago read a part of the rule under which we are operating. The second sentence in clause 2 of Rule XXI is as follows:

Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

Under that rule legislation is in order on an appropriation bill provided it comes within one of the exceptions quoted above. This amendment, if in order, must be justified under the provisions of the rule commonly referred to as the Holman rule.

The Chair in this connection desires to quote from a decision made by the gentleman from Georgia, Mr. CRISP, a very able parliamentarian, which may be found in section 8600 of Cannon's Precedents:

The Chair is aware that under the current law in the office of the Solicitor of the Treasury there is a chief clerk receiving a salary of \$2,000. The language to which the point of order is made the Chair thinks clearly does away with the office of chief clerk, therefore reducing by one the number of salaries paid out of the Treasury of the United States, and places those duties on the Solicitor of the Treasury.

That seems to me to be the identical question that we have before us now. For the reasons stated, the Chair then overruled the point of order.

The same chairman, Mr. CRISP, in section 8601 of Cannon's Precedents, in ruling on another proposition which involved the Holman rule, said:

The question, therefore, for the Chair to pass upon is to determine, first, if the amendment is germane; second, if it comes within one of the excepted classes; and, third, if the legislative part of the amendment is connected up with a proposition to reduce the number of salaries of officers paid out of the Treasury of the United States, under which it is claimed the legislation is in order.

The Chair thinks that the amendment offered by the gentleman from Virginia [Mr. WOODRUM] is germane to the proposition under consideration. The Chair also thinks that the amendment comes within the last two of the exceptions noted in the rule. The amendment in express terms reduces the amount paid out of the funds appropriated in the bill. Further, it reduces the salary of at least one person; and the Chair therefore overrules the point of order.

Mr. SIMMONS. Mr. Chairman, I rise in opposition to the amendment. We have involved here a proposition which to my mind affects more than merely the question of one or two positions in the Government service. By legislative act Congress set up certain functions during the period of the World War, authorizing the incorporation of the United States Housing Corporation, of New York and Pennsylvania. That was done by legislative act. Those positions are now being carried on by employees paid from appropriations made in pursuance of those legislative provisions. Here is a proposal, the admitted effect of which is to practically wipe out a legislative act, and stop carrying into effect provisions that Congress said should be performed by that governmental institution and to transfer it to the Department of Labor.

I call attention to the fact that this is an action being taken by the Committee on Appropriations, of which I am a member, without one word appearing in the printed hearings which that committee submits to the membership of the House in justification of the action taken. There is nothing in the printed hearings showing that that committee called an officer of the Housing Corporation in respect to the efficiency with which that work was being conducted, and there is nothing in the hearings showing one word of recommendation in behalf of the action here taken. The Bureau of the Budget recommended that this work be allowed to continue and yet we are presented with a request that we discontinue the Government activity without a hearing, without any facts upon which the House can act, without any affirmative showing that they will save a dollar; and in my judgment they will not, because by putting this into the Department of Labor other Government employees will be transferred to do the work that is now being done directly out of this appropriation.

I submit it is not in keeping with the policy of the House to abolish activities without hearings, without investigation, or without the submission of facts to the House upon which we can intelligently act, all without the saving of any funds.

Mr. HUDSON. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes.



Mr. HUDSON. Do I understand the gentleman to say that this would not result in any saving of expenditure?

Mr. SIMMONS. There is not a word in the records to show where they can save a dollar.

Mr. HUDSON. On the face of it, it seems to be a limitation and a saving.

Mr. SIMMONS. If the gentleman will take the limitation, on its face he will see that they appropriate \$16,000 for this activity and then require them to reduce that \$16,000 by \$13,770 a year. That wipes out the activity involved. They will then have to transfer funds from the Department of Labor.

Mr. HUDSON. While it seems to make a saving, it is simply transferring that money from some other department to carry out the work.

Mr. SIMMONS. On the face of it, there is a small saving; but that saving is transferring the activities to the Department of Labor, and there is nothing to prevent the Department of Labor expenditures from being used to do the work there. There is not a word in the hearings to show that they can save a dollar by what is being done.

Mr. HUDSON. And probably in the next appropriation bill for the Department of Labor they will ask for increased appropriations.

Mr. SIMMONS. That is our experience.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes.

Mr. BLANTON. This was a war-time proposition?

Mr. SIMMONS. Yes.

Mr. BLANTON. The war has been over for 12 years, and the necessity for this war-time proposition is over. Why not stop all of these old war-time boards?

Mr. SIMMONS. If we are going to do it, let us have some hearings and let us know what the facts are.

Mr. BLANTON. I think we could stop most of them without hearings, and stop them properly.

Mr. SLOAN. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Nebraska [Mr. Simmons] be extended for five minutes in order that I may ask him a question or two.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska [Mr. Sloan]?

There was no objection.

Mr. SLOAN. May I ask the gentleman from Nebraska where it appears that the limit of this expenditure is greater than the actual expenditure of last year?

Mr. SIMMONS. The limit in the bill, if I remember, is \$13,770, that they are ordered to take out of this expenditure. The committee proposes to appropriate only \$12,180 for expenditures in the District of Columbia and \$3,900 in the field, so that they are offering a proposal here that compels the complete abandonment of this work.

Mr. SLOAN. Aside from that, however, does it not appear from the bill that the \$13,000 may be much larger than it was last year, and not a reduction?

Mr. SIMMONS. There is nothing to show that they are making the reduction.

Mr. SLOAN. Or that there is any reduction to be made.

Mr. SIMMONS. Yes; but the House is entitled to have hearings and find out what is being done, and if this corporation is abolished it ought to be abolished after the proper legislative committee has investigated it and acted upon it.

Mr. SLOAN. Where does it even indicate or suggest that this so-called reduction would result from these several acts of legislation?

Mr. SIMMONS. There is nothing to show it.

Mr. SLOAN. It simply has the last place in the paragraph, but logically it has no relation thereto.

Mr. SIMMONS. There is not a showing anywhere that the transfer of these duties will save a dollar. As a matter of fact, the whole truth is that the House Committee on Appropriations and the subcommittee have already taken \$13,770 out of the appropriation, and the only reference here is to get it under the limitation rule.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SIMMONS. I yield.

Mr. SUMMERS of Washington. We are appropriating \$19,930, which is \$13,770 reduction in the estimate of the Budget, and a very much greater reduction—\$29,920 less, in fact—than the amount appropriated last year. I know the gentleman does not mean to misstate the facts; but the facts in regard to the amount of reduction being greater than the actual appropriation contemplated in the first place are not accurate.

Mr. SIMMONS. If the gentleman will yield, in line 8, on page 24, the appropriation for salaries and expenses in the District of Columbia is \$12,180, and the appropriation for salaries outside the District of Columbia is \$3,900. How is the gentleman going to take \$13,770 out of that? The amendment offered will require that to be done.

Mr. SUMMERS of Washington. This becomes effective at once and we are taking it out of the current appropriation.

Mr. SIMMONS. Oh, no; it does not become effective until the bill becomes effective.

Mr. SUMMERS of Washington. Of course, not to-day or this minute, but when the bill becomes law.

Mr. SIMMONS. The truth is that the \$13,770 has already been taken out of the bill by the Committee on Appropriations, and the \$12,180 and the \$3,900 is last year's appropriation for salaries, less \$13,770. You have already taken it out. Is that not so?

Mr. SUMMERS of Washington. Not for the current year.

Mr. SIMMONS. No; but for the fiscal year for which you are appropriating; for the fiscal year 1932 you have already taken \$13,770 out of the bill.

Mr. SUMMERS of Washington. The gentleman will notice the amendment states that this is effective upon the approval of the act.

Mr. SIMMONS. I am sure the gentleman can answer me "yes or no." Has the committee not taken \$13,770 out of this appropriation already?

Mr. SUMMERS of Washington. For next year; yes.

Mr. SIMMONS. Yes; and the \$12,180 and \$3,900 is the amount you propose to expend next year after you have taken out the \$13,770.

Mr. SUMMERS of Washington. We start with a much larger sum.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. Simmons] has expired.

Mr. WOODRUM. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, ladies and gentlemen of the committee, let us see if we can not clear up a little of the confusion. In the first place, I want you ladies and gentlemen of the committee to understand that the pending amendment is a committee amendment.

Mr. SIMMONS. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SIMMONS. The gentleman does not mean to say that the entire Committee on Appropriations has approved the amendment that has been offered?

Mr. WOODRUM. I mean to say the whole Committee on Appropriations and the subcommittee approved the plan of trying to reduce the activities of the Housing Corporation, such as is contemplated in the amendment that has been offered.

Mr. SIMMONS. That is entirely different to saying that the committee approved this amendment, because, as a member of that committee, they did not.

Mr. WOODRUM. Of course, there has been no meeting of the committee.

Mr. SIMMONS. Certainly not.

Mr. WOODRUM. Now, let us see. The Housing Corporation was an old war-time activity that had charge of Government hotels, cantonments, housing arrangements in different parts of the country as an incident of the war. In that time and in those other days it was somewhat of an active proposition and required considerable personnel, but



there has been an effort to reduce, cut down, and curtail as much as possible and liquidate those things that have grown up out of the war and which are just hanging on.

You will find that last year when the Appropriations Committee brought this item onto the floor of the House they said it ought to be wound up and liquidated and there was absolutely no excuse for having any appropriation in this bill for that activity, but it was carried. Now, we come again and we find that this activity has title to a number of pieces of vacant property all over the country that have practically no value.

In addition to that, there are certain funds due the Government for properties which have been sold by the Housing Corporation. Here is the pay roll for that activity: A director, who is president of the corporation, \$5,000; assistant director, \$4,900; special supervisor, \$3,600; accountant, \$3,600; law clerk, \$3,300; auditor, \$3,300; disbursing clerk, \$1,920; 3 clerks averaging \$1,527; a junior messenger; 1 employee at Bremerton, Wash.; 2 employees at Erie, Pa.; and 2 employees in Philadelphia, a total of \$41,550. The subcommittee asked the Bureau of Efficiency to look over this activity and see if it was not possible to wind it up and liquidate it. They did that and they rendered a report to the Subcommittee on Appropriations. They said there was no reason in the world why this activity should not go to the Department of Labor, where it belongs. And, by the way, the stock of this Housing Corporation is owned by the Department of Labor under the law which organized it. That is where it belongs and that is where it should be sent.

What does the committee do in the bill we have brought to you? We provide for an assistant director at \$4,900. He is also the attorney of the corporation and he is thoroughly familiar with all the transactions of the corporation, and there is some outstanding litigation. We have given him an accountant, a clerk-stenographer, and two employees in Pennsylvania to look after the collection of some funds due the Government. That is a very ample personnel, costing the Government \$16,080. Instead of winding up the affairs, as the gentleman from Nebraska tells you, we provide ample funds for this activity to be wound up and liquidated by the Department of Labor where it belongs, and we have saved the Government these salaries. In that way we have at least made one step forward in winding up and liquidating this old war-time activity. There is a saving of thirteen thousand and some odd dollars. That is what is done. That is what the subcommittee reported to the full Committee on Appropriations, and the full Committee on Appropriations brings you that recommendation. Now, gentlemen, it is for you to determine whether you want to do that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I wish to inquire of some member of the committee as to whether any consideration has been given to the need of supplying dormitories in Washington as domiciles for the numerous unattached clerks who come to the District to do work in the departments?

When the Government Hotel proposition was originally suggested I projected the thought into the minds of the committee that there ought to be permanent hotels here for the accommodation of the women clerks who come from all over the country to do work in the departments in Washington, just as we provide dormitories at our women's colleges, our men's colleges, and the like. I do not favor this idea of having our Government clerks, especially the women clerks who come here, live in third-floor back rooms. I believe it is a real governmental function, for a humanitarian purpose, to provide permanent quarters for these clerks.

Mr. SUMMERS of Washington. That would require legislation, and if the gentleman wants to introduce a bill to that effect all well and good, but it is not the function of an appropriations committee.

Mr. STAFFORD. I asked the gentleman whether his committee had given any consideration to that thought, and I hope the gentleman will not refer me to the hearings.

Mr. SUMMERS of Washington. These hotels were erected for war workers when this city was enormously congested. They were continued for some 12 years afterwards. At one time there were something like 1,900 clerks housed in these hotels, but the number dwindled and dwindled until the number was 500 or 600. Although they might have remained longer at these hotels they voluntarily found other quarters, so that one building after another was closed, until finally Congress decided to improve the ground between here and the Union Station, which necessitated the razing of those hotels.

Mr. STAFFORD. I may say from my knowledge of the situation that the reason the number dwindled was because they had been given notice that in a short time the buildings would be razed.

For some time before these buildings were closed notice had been given to the occupants that all of the buildings would be razed at a certain time, so that they had to leave the hotels, although many of the occupants would have been glad to continue there. There was never any scandal connected with the operation of these Government Hotels. They were very favorable places in which to house Government employees, and from my acquaintance with the housing situation in Washington, I think it is outrageous to compel Government clerks to live in third-floor back rooms.

Mr. SUMMERS of Washington. The gentleman is correct that a certain proportion, about one-third, of those who formerly occupied the hotels preferred to live there rather than at other places, but the other two-thirds, something like 1,200, voluntarily separated themselves from the hotels long before notice was given.

Mr. STAFFORD. And the 1,200 who separated themselves from the hotels also separated themselves from the service.

Mr. SUMMERS of Washington. No; many of them joined in building enterprises and erected other quarters.

Mr. STAFFORD. Does the gentleman mean to say that the clerks joined in building enterprises?

Mr. SUMMERS of Washington. Yes, indeed.

Mr. STAFFORD. I wish the gentleman from New York [Mr. LaGuardia] were on the floor to hear the gentleman's statement, that these girls who are receiving what he claims are small allowances are able to go into building projects.

Mr. SUMMERS of Washington. There is a very splendid building just west of the Department of the Interior which I have always understood was built by a cooperative group of Government clerks. The building was erected two or three years ago and is housing them at this time.

Mr. STAFFORD. That is information to which I was entirely a stranger. It was that very feature of life I wished to provide for Government clerks. Perhaps, under private arrangement some sort of dormitory has been constructed where they can be properly housed. I know years back, even before the war, the Government clerks did not have accommodations where they could be properly housed.

I withdraw the pro forma amendment, Mr. Chairman.

The Clerk read as follows:

For each and every purpose requisite for and incident to the work of the National Capital Park and Planning Commission necessary toward carrying into effect the provisions of the act entitled "An act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the National Capital," approved May 29, 1930; personal services in the District of Columbia and elsewhere, including real-estate and other technical services at rates of pay to be fixed by the commission and not exceeding those usual for similar services and without reference to civil-service rules and the classification act of 1923, as amended; travel expenses; street-car fares; per diem in lieu of subsistence for members of field parties; survey, searching of titles, purchase of options, and all other costs incident to the acquisition of land; reimbursements to be made as prescribed in such act, \$4,000,000, to be immediately available and to remain available until expended.



Mr. BLANTON. Mr. Chairman, I make a point of order against the language in the paragraph, page 32, line 25, "and without reference to civil-service rules and the classification act of 1923, as amended," this being intended to permit them to go beyond present law, and being legislation upon an appropriation bill and a change of existing law.

Mr. SUMMERS of Washington. Mr. Chairman, this is probably subject to a point of order. We submit the question to the Chair.

Mr. BLANTON. My point of order does not disturb the paragraph except with respect to this particular language, which changes existing law. I make the point of order so that the quoted language will be stricken from the bill. There is no necessity to thus change the law which safeguards the appropriation.

The CHAIRMAN (Mr. DOWELL). The point of order is sustained.

The Clerk read as follows:

For the employment of labor and the purchase of supplies, materials, and equipment for repairing and constructing insular and rural municipal roads, in Porto Rico, of which so much as may be necessary shall be immediately available for examination of estimates for appropriations in the field, \$1,000,000, to remain available until expended, in accordance with the provisions of Public Resolution No. 74, approved December 21, 1928 (45 Stat. 1067), as amended, and Public Resolution No. 33, approved January 22, 1930.

Mr. BLANTON. Mr. Chairman, I make a point of order with respect to the paragraph for the reason that there is no authority of law for the appropriation of this additional \$1,000,000, and I call the attention of the Chair to the two public resolutions under which it is sought to appropriate this additional \$1,000,000.

The first resolution was a general resolution, Public Resolution No. 74, of the Seventieth Congress, which was House Joint Resolution 352, approved December 21, 1928. It authorized, under subsection (b) an appropriation of \$50,000 for certain purposes. In section 3 it authorized an appropriation first of \$6,000,000 and provided that of this \$6,000,000, \$3,000,000 should be made immediately available, \$2,000,000 was to be made available on January 1, 1930, and \$1,000,000 on January 1, 1931. Then in section 4 it authorized the appropriation of an additional \$2,000,000 to be used for certain purposes. Then it authorized in section 5, an additional appropriation of \$100,000. All of these authorizations have been made by proper appropriations. All of this, I might say, was because of the hurricane that occurred in Porto Rico on September 13 and 14, 1928.

Then there was passed an additional resolution, Public, No. 33, in the Seventy-first Congress, which was Senate Joint Resolution No. 118, approved January 22, 1930. This authorized an additional appropriation of \$1,000,000 for one purpose and \$2,000,000 for another purpose, in all, an additional \$3,000,000. This has been met by proper appropriations.

This is an attempt now to appropriate an additional \$1,000,000, in addition to all these other authorizations, and is clearly without authority of law. I send the two resolutions to the desk and the Chair may see that there were these well-defined limitations.

The CHAIRMAN. May the Chair inquire of the committee if there is authorization of law for this appropriation?

Mr. BLANTON. So far as the merits are concerned, if the Chair please, if our good people in Porto Rico, because of this terrible hurricane that occurred in September, 1928, are still in necessitous circumstances and still need to be helped, I am in favor of helping them; but, until the Congress helps our other good people in the cities and farms of the United States with food, or until we make some positive and definite effort to render such assistance, I do not think we ought to be appropriating this extra \$1,000,000 of money out of the Treasury of the United States without authority of law.

Mr. SUMMERS of Washington. Mr. Chairman, the gentleman is mistaken with respect to the amount that has been appropriated. This comes within the authorization.

Mr. BLANTON. Will the gentleman tell us what have been the appropriations? The information I had was

pretty definite and came from a reliable source and was to the effect that all the authorized appropriations had been made and exhausted and that this is an attempt to give them another \$1,000,000.

Mr. SUMMERS of Washington. The gentleman is mistaken with regard to that, and, of course, honestly mistaken. If the gentleman will check up he will find that this \$1,000,000 is still a part of the original authorization.

Mr. WOODRUM. If the gentleman will permit, the authorization which the gentleman set up was \$3,000,000, \$2,000,000 for roads and \$1,000,000 for seed or for crop loans.

Mr. BLANTON. And it was met.

Mr. WOODRUM. No; it was not met. In the last Congress we gave them a million dollars for roads and denied the rest. This is to build roads.

Mr. BLANTON. It does not so limit it.

Mr. WOODRUM. Yes; it does, "for rural and municipal roads."

Mr. BLANTON. Is the gentleman from Virginia in favor of appropriating additional millions to meet the necessities of our people in Porto Rico because of the hurricane that occurred in September, 1928, and overlooking the people of Virginia, who have just suffered an absolute drought in the summer of 1930, and some of whom are now starving to death?

Mr. WOODRUM. I do not make the distinction that the gentleman makes—these people are entitled to protection.

Mr. BLANTON. Just the same as other Americans; but why make fish of one and fowl of another?

Mr. WOODRUM. The gentleman is overlooking the fact that the people of Porto Rico do not desire any public aid except this aid for public roads. Doubtless that is what persuaded Congress to make the appropriation for roads to Porto Rico.

Mr. BLANTON. I will withdraw this point of order if the gentleman can assure me that the authorization has not been met in full.

Mr. WOODRUM. I can; we would not have brought this in if that was not the fact.

Mr. BLANTON. Well, if the gentleman gives me that assurance, Mr. Chairman, I withdraw the point of order.

Mr. MORTON D. HULL. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee a question: On page 33, at the bottom of the page, lines 23 and 24, is a proposal to use as much as may be necessary "for examination of estimates for appropriations in the field." I think it would be worth while if the gentleman would state what is contemplated under that proposal.

Mr. SUMMERS of Washington. We have been making appropriations for Porto Rico during the last three years totaling six or seven million dollars. There was a request before our committee this year for an additional million dollars, which the committee did not allow. None of the committee has seen or learned anything directly by viewing the conditions in Porto Rico. It is possible that a subcommittee may go under this authority on an Army transport to Porto Rico for a few days so that they may be better informed.

Mr. BLANTON. Are they still suffering from the effects of the hurricane that occurred September 13 and 14, 1928?

Mr. SUMMERS of Washington. Yes; the gentleman will recall that that was a very disastrous and destructive hurricane, that laid the island waste and left those people in poverty, and they have not been able to recuperate.

Mr. BLANTON. Are we going on forever to annually appropriate for this island?

Mr. SUMMERS of Washington. Well, that is up to the Congress.

Mr. BEEDY. As a member of the Insular Affairs Committee, I am familiar with the hardships that the people of Porto Rico are now facing. Do I understand that the subcommittee of the Appropriation Committee at this time is contemplating a trip in an Army transport to Porto Rico to investigate the effects of the hurricane of 1928?

Mr. SUMMERS of Washington. No; but they are still coming before the committee for huge sums.

Mr. BEEDY. I know that, but we have already sent one commission to Porto Rico to determine how much damage



was wrought by the hurricane of 1928, and I know that Mr. Keiss, now deceased, late chairman of the Insular Affairs Committee, and the chairman of the Committee on Territories and Insular Affairs, also went, making a special trip of investigation of the situation, and it was the result of these surveys and reports that the Congress made these appropriations referred to by the gentleman from Texas.

Mr. SUMMERS of Washington. Mr. Chairman, as I understand it, there is another \$1,000,000 authorized, and several years have gone by, as suggested by the gentleman from Texas. No member of this subcommittee has any first-hand information. It may or may not be a wise thing for them to go and get first-hand information, but we are called upon to prepare a bill year after year for very large sums. We do not look upon a trip of this kind as a pleasure trip. We may not be able to make it at all, but we did think it was worth while for us to have a little first-hand information before dealing further with these large sums of money. It is planned to go upon a Government transport and, of course, the expense will be very small for a few days' trip.

Mr. BEEDY. I call the attention of the committee to the fact that many millions have already been expended for relief since the hurricane. As I understand it, this is the last million dollars to meet all prior authorizations.

Mr. STAFFORD. Oh, they wish to make an investigation as a basis for increased appropriations that have not yet been authorized.

Mr. BEEDY. Is that the purpose? Does the committee contemplate further demand?

Mr. SUMMERS of Washington. There is another million dollars that has already been authorized and a request for an appropriation of that additional amount was made this year. We eliminated that, but doubtless it will come up for consideration again, and the committee wants additional information. It may result in a substantial saving for our Treasury. Gov. Theodore Roosevelt has invited the committee to make the proposed inspection trip.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Is this junketing trip that the subcommittee is contemplating to be paid for out of part of this million dollars?

Mr. STAFFORD. Surely. The language is very specific about that.

Mr. SUMMERS of Washington. Yes.

Mr. BLANTON. How many of the subcommittee are going on that junket?

Mr. SUMMERS of Washington. There are only five members on the subcommittee, and they have never made a trip anywhere, not one. In 12 years I have made but one trip—a very strenuous but very instructive trip. But it was not with this committee.

Mr. BLANTON. I have been cordially invited down there to Porto Rico myself. I have recently heard several Members express a desire to go to Porto Rico this summer. Does the gentleman need a secretary?

Mr. SUMMERS of Washington. I am supplied with a competent secretary.

Mr. BLANTON. I mean for this junketing trip, a junketing secretary? The Insular Affairs Committee of the House and of the Senate have had two junketing trips down there already to inspect this 1928 hurricane. Well, I should not call all of them junketing trips, but after all that is what they are.

Mr. BEEDY. Mr. Chairman, I will say to the gentleman that I did not go on any of these trips because I was not able to.

Mr. BLANTON. But some of our friends did go.

Mr. BEEDY. Oh, let us be fair to the Committee on Insular Affairs. There was a serious disaster in Porto Rico in 1928, and shortly after that disaster occurred, in order that this House might have some first-hand information, we sent a committee down to Porto Rico, and they made a very helpful report.

Mr. BLANTON. When was that?

Mr. BEEDY. As I recall it, it was within the year.

Mr. DAVILA. It was immediately after the hurricane.

Mr. BEEDY. It was in the same year that the hurricane occurred. I do not see the necessity for more junketing trips to Porto Rico, in the matter of the 1928 hurricane. I do think, however, we should be more considerate of the Members of this House and not be so free with the term "junket trips." I have been here for 10 years, and I have never but once in all that time had my attention called to any movement on the part of this Congress to send a commission or a committee anywhere and spend public moneys that flavored of a junketing pleasure trip. The Members of this House when sent on these commissions are earnest in their purpose to gather information which will enable them helpfully and intelligently to legislate. I feel from my experience that if we could take more of these well-considered trips to get facts where necessity demands that the welfare of the people in general would be much better served.

Mr. BLANTON. I do not want the gentleman to take up all of my time.

Mr. BEEDY. I wanted to clean the committees in general of the sweeping accusation embraced in the phrase junketing trips.

Mr. BLANTON. In addition to the one the gentleman speaks of, after a certain primary I know of that occurred in August last year there was another trip taken down there. It was not because of a 1928 hurricane. I thought it was a junketing trip. The Commissioner from Porto Rico had visitors down there last September, did he not?

Mr. DAVILA. Oh, I go every summer to my native land, certainly.

Mr. BLANTON. The gentleman had congressional visitors, did he not, in September last?

Mr. DAVILA. I do not know whether it was in September, but I am sure that we welcome a visit from all of the Members of the House and the Senate, because the more you know of Porto Rico the better off we will be.

Mr. BLANTON. The Insular Affairs Committee had a right to go down there, it is part of its duty, but every time the subcommittee of the Committee on Appropriations makes an appropriation for this little thing or that little thing it does not have to visit all of these foreign countries. They are junketing trips. They are not always junketing trips when the Committee on Insular Affairs goes down there, because that is part of its duty. Nor is it a junketing trip always when the Committee on Foreign Affairs goes abroad to investigate embassies, but when others go down there not connected with their duty I think it is. Does my friend from Maine consider that they are not junketing trips?

Mr. BEEDY. If the gentleman wants an answer I will say that I could not give an answer to a general proposition like that. I think there is a legitimate need for standing committees at times in pursuance to their duties to make these trips, but I do not approve an attempt to appropriate money for transportation of Members in general for pleasure trips.

Mr. BLANTON. There is no more reason for the Subcommittee on Appropriations to go down there than there is for all of us to go.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. DAVILA. Mr. Chairman, I move to strike out the last word.

I do not see any objection to the Members of Congress going to Porto Rico or Europe or any other place, provided they pay their expenses out of their own pockets.

I should like to see all Porto Ricans travel because they would acquire an experience that would be good for the country.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. DAVILA. I yield.

Mr. HUDDLESTON. I think the trouble with Porto Rico is that Congress is ignorant on the subject.

Mr. DAVILA. It looks that way.

Mr. HUDDLESTON. I believe the people of Porto Rico could well afford to invite us all down there and pay our expenses, as a matter of instruction. Porto Rico is very



seriously hampered by the lack of understanding upon the part of Congress of the problems of Porto Rico.

Mr. DAVILA. The gentleman is right. Of course, I am really sorry that I do not have sufficient money to travel all around the world because there is no better experience than that acquired in traveling.

Mr. SIMMONS. Will the gentleman yield?

Mr. DAVILA. Gladly.

Mr. SIMMONS. If I understood the gentleman from Alabama [Mr. HUDDLESTON], the gentleman secured the approval of the gentleman from Porto Rico upon the basis that Porto Rico should pay the expenses of Congress for a trip to Porto Rico?

Mr. DAVILA. For all the Members of Congress it will be a great sacrifice because we do not have the money to do that, but the benefit will be so great that if you gentlemen want to come to Porto Rico we will make the sacrifice and pay for it.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. DAVILA. I yield.

Mr. HUDDLESTON. In order that Congress may deal intelligently with Porto Rican problems it would well become Congress to instruct itself on the subject.

Mr. DAVILA. Certainly.

Mr. HUDDLESTON. And if that involved a trip to Porto Rico at public expense we ought to take it.

Mr. DAVILA. Certainly. I can not understand how the Congress of the United States can legislate for Porto Rico unless it understands the situation in the island.

This appropriation of \$3,000,000 was authorized last year. Two million dollars was to be used for roads and schools and \$1,000,000 for the farmers. That \$1,000,000 was authorized for the farmers of Porto Rico and has not yet been appropriated. I have here a cablegram from the Farmers' Association asking for that appropriation.

I am going to place it in the RECORD.

SAN JUAN, P. R., January 24, 1931.

HON. FELIX CORDOVA DAVILA,  
House Office Building, Washington, D. C.:

One million appropriation hurricane relief loans absolutely necessary. Two thousand applications from farmers in distress pending action of commission on account lack of funds. Colonel Behr is cabling Secretary of War.

PESQUERA,  
President Agricultural Association.

You can not realize the tremendous problems of the people of Porto Rico. Conditions are bad everywhere, so I will not try to describe those conditions. They are universal. But, think of a country with 1,500,000 inhabitants, American citizens—not foreigners—1,500,000 people living in a country with an area of 3,435 square miles. Four hundred and fifty people per square mile is a tremendous problem when it comes to unemployment. Add to that the hurricane of 1928, which represented a loss of more than \$100,000,000 to Porto Rico, and you will begin to realize the situation we are in. Now, if you understand the situation you will admit the problem we are facing in our country is tremendous. We need this money in order to complete the surfacing of the insular highways. We hope, as Governor Roosevelt has stated before the committee, that this money will be enough for such purpose, that we will save permanently—not for 1 year or for 10 years, but permanently—with this money \$400,000 every year in cost of upkeep. With this economy we will be able to take care of our roads, our buildings, and our schools in the future. I believe we will not be required to request a further appropriation for the relief of the situation brought by the hurricane in 1928.

Mr. WATSON. Will the gentleman yield?

Mr. DAVILA. I yield.

Mr. WATSON. The Governor of Pennsylvania sent letters to Congressmen and others, stating it was the wish of the President of the United States that a drive be made to collect money to feed the children of Porto Rico because they were starving. Can the gentleman tell us whether any amount of that money or how much of it went to Porto Rico and what benefit it was to the starving children?

Mr. DAVILA. Well, I do not know of any money that has been collected yet for that purpose.

Mr. WATSON. There was an organization.

Mr. DAVILA. There was an organization.

The CHAIRMAN. The time of the gentleman from Porto Rico has expired.

Mr. WATSON. Mr. Chairman, I ask unanimous consent that the gentleman from Porto Rico be allowed to proceed for one additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. WATSON. There was an organization set up for the purpose of collecting money to feed Porto Rican children who were starving. I want to know whether that money has yet arrived in Porto Rico.

Mr. DAVILA. Not that I know of. It may have reached Porto Rico, but I have no information about that.

Mr. WATSON. Then what has become of the starving children?

Mr. DAVILA. Well, when we say "starving children" we do not mean they are all going to die. Many do. We mean they are undernourished and in a very bad condition, but when the money comes there will be plenty of Porto Rican children still there. We mean people who need it badly but who are not all going to die.

Mr. BEEDY. Will the gentleman yield?

Mr. DAVILA. I yield.

Mr. BEEDY. The Red Cross has sent money to Porto Rico?

Mr. DAVILA. Yes; the Red Cross has sent money to Porto Rico.

Mr. BEEDY. How much was that?

Mr. DAVILA. Well, I can not give the gentleman the exact figure.

Mr. BEEDY. Approximately how much has Porto Rico received from the Red Cross in the last two years?

Mr. DAVILA. I could not answer that question.

Mr. BEEDY. Well, the gentleman can give an approximate figure.

Mr. DAVILA. I do not have the figures at hand, but I can place that in the RECORD.

Mr. BEEDY. Will the gentleman place that in the RECORD for the information of the House?

Mr. DAVILA. According to my information, immediately after the hurricane, President Hoover issued a proclamation urging the people to contribute through the Red Cross, and this appeal was met by contributions totaling about \$3,100,000. The work of the Red Cross was very efficient, far-reaching, and effective in those distressing days. That is the extent of my information regarding this matter.

The CHAIRMAN. The time of the gentleman from Porto Rico has expired.

The Clerk read as follows:

For general expenses in connection with the maintenance, care, improvement, protection, operation, repair, cleaning, heating, and lighting of the Washington Monument and grounds; the Lincoln Memorial and reflecting pool; the house where Abraham Lincoln died; the Arlington Memorial Bridge; grounds surrounding executive departments; and public buildings in the District of Columbia under the jurisdiction of the Office of Public Buildings and Public Parks of the National Capital, including per diem employees at rates of pay approved by the director, not exceeding current rates for similar employment in the District of Columbia; rent of buildings in the District of Columbia, and salaries for maintenance and operation of the buildings when such maintenance and operation is not furnished by the owner under terms of the lease: *Provided*, That any funds for the fiscal year 1932 appropriated for rents and maintenance of buildings in the District of Columbia for any of the executive departments and independent establishments may be transferred, with the approval of the Public Buildings Commission, to the Director of Public Buildings and Public Parks of the National Capital; city directories; contingent expenses; traveling expenses and car fare not exceeding \$300; communication service; professional, scientific, technical, and law books; periodicals and reference books; blank books and forms; photographs; maps, leather and rubber articles and gas masks for the protection of public property and employees; not exceeding \$13,000 for uniforms for employees; the maintenance, repair, exchange, storage, and operation of not to exceed one motor-propelled passenger-carrying vehicle; the purchase, maintenance, and repair of equipment and fixtures, \$1,334,195.



Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. In this item and the prior item referring to the expenses of the public buildings and public parks there is an increase over last year's appropriation of a half million dollars, a tidy sum, and which I think the members of the committee would like to have explained, especially in these times when we should be pursuing lines of economy.

Mr. SUMMERS of Washington. The amount of the increase is \$258,300 instead of a half million.

Mr. STAFFORD. The gentleman was interested in other matters, but if he had paid attention to my question he would have noticed I referred to this item and the prior item and that the increase was over a half million dollars.

Mr. SUMMERS of Washington. The gentleman, perhaps, was covering more territory than I realized.

Mr. STAFFORD. I asked for an explanation as to this large increase.

Mr. SUMMERS of Washington. Because of the construction of new buildings there is necessity for many changes, the moving of furniture, and the equipment of new buildings.

Mr. STAFFORD. That is just a general explanation. This bill provides \$2,793,250 for personal services, an increase of over \$370,000 for personal services. The gentleman can gloss it over, but I think there should be some real explanation given to the members of the committee as to the reason for these inordinate increases.

Mr. SUMMERS of Washington. The gentleman knows that during the next year the Department of Commerce will be moved into our largest Government building, and that will require many employees.

Mr. STAFFORD. I can not understand how that will require any great number of new employees because we already have those employees in the Department of Commerce building now in use.

Mr. SUMMERS of Washington. I am not clear as to whether we are paying them as a separate item or whether we are paying them as a part of the rent. In some buildings it is handled in one way and in other buildings it is handled in the other way.

Mr. STAFFORD. As I understand, the leases which the Government makes for the occupancy of these buildings require the Government to maintain them.

Mr. SUMMERS of Washington. That is not the case in all instances and I would have to check that up. Of course, I could do that in the course of 30 minutes and find out just what buildings are handled in that way.

Mr. STAFFORD. Do the hearings disclose the reason for an increase of \$371,000 in this very item?

Mr. SUMMERS of Washington. I am informed that the increase is not so large as that, and I believe the hearings will set out the purpose of all these increases.

Mr. STAFFORD. The gentleman can not expect a Member of the House to wade through the hearings and ascertain all of these facts.

Mr. SUMMERS of Washington. The gentleman just asked me if the hearings set that out, and I have told him they do.

Mr. STAFFORD. Will the gentleman inform the committee as to what the hearings disclose with reference to this inordinate increase of \$371,000 for personal services?

Mr. SUMMERS of Washington. There was a deficiency appropriation of \$166,940 which should be deducted from the gross sum that the gentleman has been referring to.

Mr. STAFFORD. That would leave an increase of \$210,000.

Mr. SUMMERS of Washington. The maintenance of the Arlington Memorial Bridge and the maintenance of the new Commerce Building makes up the increases, running to \$240,246.

Mr. STAFFORD. I think if any Member is indebted to the committee for the great work it has displayed in trying to furnish information, I am, and I want to thank the chairman of the committee.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The pro forma amendment was withdrawn.

The clerk read as follows:

Total, Office of Public Buildings and Public Parks of the National Capital, \$5,541,445.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word just to make this passing comment. Last year the total appropriation for this activity was \$3,951,000, and this year it is \$5,541,000; other than a difference of \$50,000, being an increase of more than \$2,000,000.

The pro forma amendment was withdrawn.

The Clerk read as follows:

#### NATIONAL MUSEUM

For cases, furniture, fixtures, and appliances required for the exhibition and safe-keeping of collections; heating, lighting, electrical, telegraphic, and telephonic service, repairs and alterations of buildings, shops, and sheds, including approaches and all necessary material; personal services, and traveling and other necessary incidental expenses, \$154,580.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

Here we have an item providing for cases, furniture, and fixtures for the National Museum, for which last year the appropriation was \$33,000 plus and this year it is \$154,000 plus. Has the National Museum taken possession of any new quarters that require the purchase of furniture to the extent of over \$121,000 more than was appropriated last year?

Mr. SUMMERS of Washington. For the same activity, the appropriation last year was \$183,800 and the appropriation this year is \$29,220 less. The appropriation this year is a great deal less.

Mr. STAFFORD. The appropriation for this item carried in last year's act for cases, furniture, fixtures, and appliances required for the exhibition and safekeeping of collections, including necessary employees, was \$33,740.

Mr. SUMMERS of Washington. If the gentleman will permit at this point, I think I can explain that. Three different items have been combined in this one item of the bill this year.

Mr. STAFFORD. So there is no inordinate increase, but in fact a decrease over what was appropriated last year? On the face of it, it would appear that there is an unusual increase.

Mr. SUMMERS of Washington. No; there is a large decrease in the total amount for this purpose.

The pro forma amendment was withdrawn.

The Clerk read as follows:

#### TARIFF COMMISSION

For salaries and expenses of the United States Tariff Commission, including purchase and exchange of labor-saving devices, the purchase of professional and scientific books, law books, books of reference, gloves, and other protective equipment for photostat and other machine operators, subscriptions to newspapers and periodicals, and contract stenographic reporting services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), as authorized by sections 330 to 341 of the tariff act of 1930, approved June 17, 1930 (46 Stat., pp. 696-707), \$1,000,000, of which amount not to exceed \$750,000 may be expended for personal services in the District of Columbia; not to exceed \$5,000 for expenses, except membership fees, of attendance at meetings concerned with subjects under investigation by the commission; and not to exceed \$2,000 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (46 Stat., p. 818): *Provided*, That the commission may procure supplies and services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed \$50: *Provided further*, That no part of this appropriation shall be used to pay the salary of any member of the United States Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the tariff act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

Mr. SUMMERS of Washington. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SUMMERS of Washington: Page 41, line 1, after the first comma, insert "rent in the District of Columbia and elsewhere."



Mr. SUMMERS of Washington. Mr. Chairman, I would like to offer a word of explanation. I shall offer six short amendments. They are all to accomplish one purpose. I may say in explanation that when the representative of the Tariff Commission came before our committee his explanation of why the commission needed the amount of money recommended by the Budget was not wholly satisfactory to the committee. So the committee reduced the total amount \$200,000 below the Budget estimate. Since then the Tariff Commission has sent to the several members of the committee a very detailed statement of the additional work imposed by the last tariff bill and the need of additional quarters and additional help, especially during the next few months, and all of these amendments are to accomplish the purpose which I have indicated. If I may have permission to do so, I shall insert in the RECORD the complete statement of the Tariff Commission in justification of the additional amount which we are now intending to offer.

The amendment was agreed to.

The CHAIRMAN. The gentleman from Washington offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SUMMERS of Washington: Page 41, line 6, strike out the sum of "\$1,000,000" and insert in lieu thereof the sum "\$1,200,000."

The amendment was agreed to.

The CHAIRMAN. The gentleman from Washington offers another amendment, which the Clerk will report.

Amendment offered by Mr. SUMMERS of Washington: Page 41, line 6, strike out the sum "\$750,000" and insert in lieu thereof the sum "\$900,000."

The amendment was agreed to.

The CHAIRMAN. The gentleman from Washington offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SUMMERS of Washington: Page 41, line 17, after the first colon, insert "Provided further, That the appropriation for the fiscal year ending June 30, 1931, for salaries and expenses of the Tariff Commission are hereby made available for payment of rent in the District of Columbia and elsewhere."

The amendment was agreed to.

Mr. SUMMERS of Washington. Mr. Chairman, I ask unanimous consent to extend my remarks by inserting the data I refer to.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

The matter referred to follows:

Upon adoption of the language proposed in the amendment offered, the language of the independent offices appropriation act making provisions for the Tariff Commission would read, commencing at line 19, page 40, full committee print, Union Calendar No. H. R. 16415, report No. 2320:

#### "TARIFF COMMISSION"

"For salaries and expenses of the United States Tariff Commission, including purchase and exchange of labor-saving devices, the purchase of professional and scientific books, law books, books of reference, gloves, and other protective equipment for photostat and other machine operators, rent in the District of Columbia and elsewhere, subscriptions to newspapers and periodicals, and contract stenographic reporting services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), as authorized by sections 330 to 341 of the tariff act of 1930, approved June 17, 1930 (46 Stat. 696-707), \$1,200,000, of which amount not to exceed \$900,000 may be expended for personal services in the District of Columbia; not to exceed \$5,000 for expenses, except membership fees, of attendance at meetings concerned with subjects under investigation by the commission; and not to exceed \$2,000 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (46 Stat. 818): *Provided*, That the commission may procure supplies and services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed \$50: *Provided further*, That the appropriation for the fiscal year ending June 30, 1931, for salaries and expenses of the Tariff Commission are hereby made available for payment of rent in the District of Columbia and elsewhere: *Provided further*, That no part of this appropriation shall be used to pay the salary of any member of the United States Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337,

and 338 of the tariff act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

"For all printing and binding for the Tariff Commission, \$40,000."  
"Total, Tariff Commission, \$1,240,000."

#### INDEX FOR ARGUMENTS—TARIFF COMMISSION AMENDMENTS

1. American value—conversion work.
2. Headquarters staff additions.
3. Limitation on District of Columbia salary proportion.
4. Rent.
5. Expansions not now budgeted.
6. Applications received to January 23.

UNITED STATES TARIFF COMMISSION,  
Washington, January 24, 1931.

#### Memorandum for the House Appropriations Committee:

The Tariff Commission asks to present new data not available at the time of the hearing before the Appropriations Committee of the House.

This matter deals with the need for materially increased funds and the clarification of the purposes for which intended.

The Budget Bureau reduced our estimates by about one-sixth, or \$220,000.

The Appropriations Committee reduces the balance by one-sixth, or \$200,000.

For fiscal 1931 the Tariff Commission had available (exclusive of printing and binding) \$901,031.20  
To-day the commission is on an annual expenditure basis of 890,000.00

And it has hardly begun its work.

The appropriation for fiscal 1932, as reported to the House, provides 1,000,000.00  
An increase over 1931 of approximately 100,000.00

#### THE WORK TO BE DONE

The greatest definite task (in volume) laid on the commission under the new law is the "Domestic Value—Conversion of Rates," ordered in section 340. There is a time limit on the first report; it must be handed to Congress "in no event later than July 1, 1932."

This is a huge, complicated, and tedious task. It requires literally the investigation of thousands of commodities—specifically (1) each ad valorem rate, and (2) each rate of duty regulated by the value of the article. For every such rate (based on the foreign value) the commission must find an equivalent rate based on the American selling price to produce an equal amount of duty. The period to be studied by direction of the law is the two years from July 1, 1927, to June 30, 1929.

To-day's survey of this field indicates the need for an organization of a force of commodity experts, accountants, and clerks in 15 units to handle the 15 schedules of the tariff.

This means a total of 116 persons, subdivided as follows:

<b>Chemicals:</b>	
3 commodity experts, at about.....	\$3,600
2 accountants, at about.....	3,000
3 clerks, at about.....	1,800
<b>Ceramics:</b>	
5 commodity experts (2 glass, 2 pottery, 1 miscellaneous), at about.....	3,600
3 accountants, at about.....	3,000
3 clerks, at about.....	1,800
<b>Metals:</b>	
2 iron and steel experts, at about.....	3,600
1 accountant, at about.....	3,000
2 clerks, at about.....	1,800
1 nonferrous expert, at about.....	3,600
1 accountant, at about.....	3,000
1 clerk, at about.....	1,800
1 machinery, electric, etc., expert, at about.....	3,600
1 accountant, at about.....	3,000
1 clerk, at about.....	1,800
2 miscellaneous experts, at about.....	3,600
1 accountant, at about.....	3,000
2 clerks, at about.....	1,800
<b>Lumber, paper:</b>	
1 commodity expert, at about.....	3,600
1 accountant, at about.....	3,000
1 clerk, at about.....	1,800
<b>Sugar:</b>	
1 commodity expert, at about.....	3,600
1 accountant, at about.....	3,000
1 clerk, at about.....	1,800
<b>Tobacco:</b>	
1 commodity expert, at about.....	3,600
1 accountant, at about.....	3,000
1 clerk, at about.....	1,800
<b>Agricultural (principally prepared foods):</b>	
3 commodity experts, at about.....	3,600
2 accountants, at about.....	3,000
3 clerks, at about.....	1,800
<b>Cotton manufactures:</b>	
3 commodity experts, at about.....	3,600
2 accountants, at about.....	3,000
3 clerks, at about.....	1,800



Flax, hemp, jute:	
1 commodity expert, at about	\$3,600
1 accountant, at about	3,000
1 clerk, at about	1,800
Wool:	
3 commodity experts, at about	3,600
2 accountants, at about	3,000
3 clerks, at about	1,800
Silk and rayon:	
2 commodity experts, at about	3,600
2 accountants, at about	3,000
3 clerks, at about	1,800
Papers and books:	
2 commodity experts, at about	3,600
1 accountant, at about	3,000
1 clerk, at about	1,800
Sundries—Sporting goods:	
2 commodity experts, at about	3,600
1 accountant, at about	3,000
2 clerks, at about	1,800
Millinery products:	
2 commodity experts, at about	3,600
2 accountants, at about	3,000
2 clerks, at about	1,800
Brooms, brushes, etc.:	
1 commodity expert, at about	3,600
1 accountant, at about	3,000
1 clerk, at about	1,800
Cork, rubber, etc., and similar products:	
1 commodity expert, at about	3,600
1 accountant, at about	3,000
1 clerk, at about	1,800
Dolls, toys, etc.:	
2 commodity experts, at about	3,600
1 accountant, at about	3,000
2 clerks, at about	1,800
Jewelry:	
1 commodity expert, at about	3,600
1 accountant, at about	3,000
1 clerk, at about	1,800
Leather products:	
1 commodity expert, at about	3,600
1 accountant, at about	3,000
1 clerk, at about	1,800
Miscellaneous:	
2 commodity experts, at about	3,600
1 accountant, at about	3,000
2 clerks, at about	1,800

The indicated annual salary total is \$321,600, but the commission does not claim that this group of workers would be employed for a full year. The best estimates at the moment are that these investigations will take, say, from four to six months. If the lower figure is correct, salaries would amount to approximately \$107,000. If the higher, salaries would amount to approximately \$160,800.

A beginning at this task will be made about February 1 with a small group in New York. Due to the enormous size of the investigation and the definite time limit, there is no time to be lost. While the additions to the staff for the balance of this fiscal year will probably be made rather slowly, it is believed obvious that it will require not only a large force throughout the investigational period, but the retention in service of at least one experienced person from each of these groups to see each commodity investigation through the report-writing period, possibly well toward the close of fiscal 1932.

#### ADDITIONS TO THE PERMANENT STAFF

A survey of the immediate needs of each division of the commission just being completed indicates the necessity for the addition of 28 workers whose salaries would aggregate \$67,800 per annum, not included above.

#### INVESTIGATIONS FOR EQUALIZATION OF COSTS OF PRODUCTION—UNDER SECTION 336, THE FLEXIBLE-TARIFF PROVISIONS, OF THE TARIFF ACT OF 1930

Since the passage of the tariff act of 1930 the commission has received either by Senate resolutions or by requests from parties interested 66 formal applications for investigations with respect to the differences in domestic costs of productions as compared with similar foreign costs. In addition there are 29 similar requests in correspondence, making a total of 95.

*Summary tabulation of applications and prospective applications received by the Tariff Commission for investigation under section 336 of the tariff act of 1930*

[From June 18, 1930, to January 23, 1931]

231 days

Number of items covered by Senate resolutions	73
Number of items covered by applications from interested parties	95
Total number of items covered by all applications or prospective applications	168
The nature of the requests covered by these applications are as follows—	
For increase of duty	27
For decrease of duty	59
For adjustment of duty	10

For investigation	76
Total number of formal applications	66
By Senate resolution	16
By interested parties	50
Total number of applications in correspondence	29
Total	95

(Three applications have been withdrawn leaving a balance of 92.)

Since representatives of the Tariff Commission appeared before the Appropriations Committee, a period of 18 days, formal applications for correspondence preceding applications have been received numbering 10.

The number received by months is as follows:

June 18 to 30	16
July 1 to 31	23
Aug. 1 to 31	7
Sept. 1 to 30	16
Oct. 1 to 31	6
Nov. 1 to 30	3
Dec. 1 to 31	11
Jan. 1 to 23	10

Total 92

The volume of work inherent in this number of applications already received, taken into consideration with the rate at which new applications are coming in, amply justifies the addition of 28 to the staffs of the permanent divisions.

#### SALARY LIMITATION IN THE DISTRICT OF COLUMBIA

The Bureau of the Budget recommended \$900,000 as the limitation for salaries in the District of Columbia. It is noted that the committee has reduced this amount to \$750,000. The annual pay roll for salaries in the District of Columbia for the current fiscal year will amount to approximately \$706,000. With the necessary additions referred to above, the original amount recommended will be needed for fiscal year 1932. Even with the appropriation limited as now reported, it is recommended that the limitation on salaries in the District of Columbia be raised to \$850,000.

#### SPACE

We have an average of 63 square feet of office space for the present clerical personnel of the Tariff Commission in the Old Land Office Building. Some 250 employees are housed under conditions that admit of few additions to the force. It seems a matter of future necessity for the commission to find much larger quarters, and that soon. No Government-owned space is available. It has been the expectation of the commission that it would be necessary to rent in the neighborhood of 60,000 to 70,000 square feet. Such a move will call for the expenditure of say \$80,000 per annum on the most favorable terms.

#### NEW LANGUAGE MAKING APPROPRIATION AVAILABLE FOR RENT

The Comptroller General has recently held that since the appropriation acts of the Tariff Commission did not contain specific language making its funds available for rent in the District of Columbia, rent can not be paid. It is recommended, with the greatest urgency, that such language be included in the appropriation act for fiscal year 1932. It is also urged that a provision be made to allow the payment of rent from funds for the current fiscal year. This new language does not yet have the approval of the Budget Bureau, but negotiations are under way.

It may be recalled that we reported to the Appropriations Committee the transfer of some \$2,900 to the appropriation for Public Buildings and Public Parks for the rental of offices for the International Joint Commission, to permit the Tariff Commission to take over six rooms in the Old Land Office Building formerly occupied by the International Joint Commission. Since so reported the Comptroller General has disapproved the transfer warrant.

These additional needs summarize thus:

Additions to permanent staff, 28 at	\$67,800
For domestic value conversion of rates, minimum	107,000
Rental of new quarters	80,000
Travel and subsistence for additional staff	50,000
Total	304,800

#### RECAPITULATION

Total appropriations, fiscal year 1931	901,030.20
Additional needs, minimum, 1932	304,800.00
Total	1,205,830.20
Budget Bureau allowed	1,200,000.00
Appropriation as reported to the House	1,000,000.00

It is believed that the estimate for travel and subsistence for so large a group is very low. The round figure of \$50,000 is used to round out the justification for the increase allowed by the Budget Bureau. Particular attention is also directed to the omission above of any important amplification of the investigations of the Tariff Commission under its general powers, particularly as they concern those provisions in the tariff act specifying—

The investigation of tariff relations between the United States and foreign countries, the investigation of the Paris economy pact, and similar trade arrangements abroad.



The commission has recently designated a special representative in Europe and it is expected, following his reports on the situation, that the work of the commission abroad may be considerably enlarged. Some foreign embassies are active in forwarding requests on the part of their nationals for investigations by the Tariff Commission. Such applications presuppose a willingness on the part of the applicants to disclose their manufacturing costs, a type of information that it would be most valuable to secure. No estimate has been included for the probable costs of any large activity for this and other purposes abroad.

The abstract from our register of daily receipts is attached. This shows in detail the number and character of the calls made

in continuing volume on the Tariff Commission. The character and worth of the parties interested is also plainly indicated. Perhaps we have failed to make plain heretofore the volume of work necessary for the preliminary survey of the facts, economic, statistical, and historic, that is necessary before even the merits of an application can be considered by the commission. A host of administrative and executive activities arises out of this type of work alone. This class of work and all the activities to which it gives rise explains in an important measure the work resting on all divisions of the commission, aside from the active prosecution of the various subsequent investigations.

SIDNEY MORGAN, Secretary.

*Applications and prospective applications received by the Tariff Commission for investigation under the provisions of section 336 of the tariff act of 1930*

Date received	Name of article	Purpose of request	Name and address of applicant
1930			
June 18	Soups.....	Decrease of duty.....	Campbell Soup Co., Camden, N. J.
19	Shoes, both men's and women's; furniture; bells; wire fencing; wire netting; cement; hoes; shovels; spades; scoops; forks; rakes; scythes; sickles; grass hooks; corn knives; drainage tools.....	Investigation.....	S. Res. 295, June 18, 1930. (Borah.)
21	Wool, wool waste, wool shoddy, wool rags, wool yarn, wool cloth, wool clothing, wool carpets and wool rugs, and carpet wools.....	Adjustment.....	The Carded Woolen Manufacturers Association, 146 Summer Street, Boston, Mass.
23	Bent-wood furniture.....	Decrease of duty.....	Thonet Bros., 33 East Forty-seventh Street, New York City; Jacob & Josef Kohn & Mundus (Inc.), 1 Park Avenue, New York City; Penn Commercial Corporation, 533 Greenwich Street, New York City; Astra Bent Wood Furniture Co., 352 West Thirtieth Street, New York City; Standard Bentwood Co., 627 Broadway, New York City.
23	Green peppers and fresh tomatoes.....	do.....	West Coast Vegetable Association of Nogales, 709 Hill Street Building, Los Angeles, Calif.; Associated Produce Dealers and Brokers of Los Angeles, 233 Wholesale Terminal Building; Phoenix Chamber of Commerce, Phoenix, Ariz.; Stanley Fruit Co.; Nogales Chamber of Commerce, Nogales, N. Mex.; Stearns Marketing Co.; Burnard & Co.; Tucson Chamber of Commerce, Tucson, Ariz.; Southern California Rec't Association.
23	Green peppers and fresh tomatoes (continued).....	do.....	Foreign Trade Club of Southern California (Inc.); Hospital Council of Southern California; Southern California Hotel Association; Crombie & Co., El Paso, Tex.; A. D. Neumann & Co., El Paso, Tex.; El Paso Chamber of Commerce, El Paso, Tex.
25	Hemp cords.....	Increase of duty.....	Mittet Line & Net Co., 2024 Fifteenth Avenue, west, Seattle, Wash.
25	Hemp yarn.....	Decrease of duty.....	Haram & Wicks Line Co., 1546 Leary Avenue, Seattle, Wash.
25	Maple sugar.....	do.....	The John G. Paton Co., 230 Park Avenue, New York City.
25	Maple sirup.....	do.....	Correspondence.
25	Lime juice.....	do.....	Certain-teed Products Corporation, 100 East Forty-second Street, New York City.
26	Pulpboard in rolls for use in the manufacture of wall board.....	do.....	Correspondence.
26	Cork insulation.....	do.....	Do.
27	Feldspar.....	do.....	Takamine Corporation, 35-10 Thirty-sixth Avenue, Long Island City, N. Y.
30	Bamboo handle toothbrushes.....	do.....	Correspondence.
30	Chemical and other scientific glassware.....	do.....	Correspondence.
July 1	Shoe lacing.....	Investigation.....	S. Res. 308, June 30, 1930. (Introduced by Senator Hebert.)
1	Refined sugar, ultramarine blue, umbrellas, pig iron.....	do.....	S. Res. 309, June 30, 1930. (Introduced by Senator Copeland.)
2	Blown glassware.....	Increase of duty.....	Correspondence.
2	Laces, lace fabrics, and lace articles.....	Investigation.....	S. Res. 311, July 1, 1930. (Introduced by Senator Bingham.)
2	Umbrellas and parasols, component parts of umbrellas and parasols, namely frame, cover, and handle.....	do.....	S. Res. 312, July 1, 1930. (Introduced by Senator Goldsborough.)
2	Parachlorometacresol.....	Decrease of duty.....	Lehn & Fink (Inc.), Bloomfield, N. J.
3	Wiping rags.....	Change of duty.....	Correspondence.
7	Flaxseed.....	Decrease of duty.....	Asociacion Nacional De Agricultura, Sarmiento 385, Buenos Aires.
8	Organs.....	do.....	The Rudolph Wuriltzer Co., Cincinnati, Ohio; Magnus Imports (Ltd.), 205 Fifth Avenue, New York City; Burberry (Ltd.) 14-18 East Thirty-eighth Street, New York City.
11	Men's and boys' woolen clothing.....	do.....	Ben F. Binford, 320 Fifth Avenue, New York City.
11	Wood flour; organs; pipes, bowls, and smokers' articles; reptile-skin leather for shoe purposes; pigskin leather; wool felt hats; wool floor coverings, n. s. p. f.; pigskins; northern white pine; Norway or red pine; eastern spruce; window glass; straw hats; Fourdrinier wires; maple sirup; maple sugar; boots and shoes; hides.....	Investigation.....	Arthur E. Hatch, 320 Fifth Avenue, New York City.
12	Pipes, pipe bowls, cigarette holders, smokers' articles.....	Decrease of duty.....	Thistlecroft (Ltd.), 232 Madison Avenue, New York City.
15	Incandescent lamps with filaments of carbon.....	Increase of duty.....	Edgar B. Walter Organization, 245 Fifth Avenue, New York City.
16	All leathers made of pigskin.....	Decrease of duty.....	S. Res. 313, July 3, 1930. (Introduced by Senator Copeland.)
17	Tulip bulbs.....	Increase of duty.....	Frischer & Co. (Inc.), 229 Fourth Avenue, New York City. (Senator Bronson Cutting; Representative Emanuel Celler.)
17	Lumber and timber, if of fir, spruce, pine, hemlock, or larch, produced in the Pacific Northwest States.....	Investigation.....	North American Electric Lamp Co., 1114-24 South Grand Boulevard, St. Louis, Mo.
17	Olive oil; cheese; cherries, sulphured or in brine; canned tomatoes and tomato paste; confectionery and chocolates; laminated products in sheets dutiable under par. 1539 (b). Cattle.....	do.....	Amor Leather Co., 86 South Street, Boston, Mass.
18	Felts, belts, and blankets.....	Decrease of duty.....	Chapin Bulb Farm, Salem, Oreg.
21	Upholstery, nails, thumb tacks, and chair glides.....	Increase of duty.....	S. Res. 321, July 16, 1930. (Introduced by Senator McNary.)
22	Infants' wear classified under par. 1114 (d); matches of all descriptions; cigarette books, cigarette-book covers, and cigarette paper in all forms.....	Investigation.....	S. Res. 324, July 16, 1930. (Introduced by Senator Copeland.)
22	Blown-glass tableware.....	do.....	Correspondence.
30	Dried eggs.....	Increase of duty.....	Do.
Aug. 8	Stencils for duplicating machines.....	Decrease of duty.....	Do.
9	Pitted cherries in brine.....	do.....	S. Res. 325, July 21, 1930. (Introduced by Senator Copeland.)
8	Woolen felts.....	do.....	S. Res. 330, July 21, 1930. (Introduced by Senator Hatfield.)
14	Eggplant and cucumbers in their natural state; lima beans, green or unripe; okra in the natural state; fresh pineapples; grapefruit.....	Increase of duty.....	Knox Boudé, chairman tariff committee, National Poultry Council, Sebastopol, Calif.
28	Hot-rolled small-diameter tubing.....	do.....	Correspondence.
28	Stencil paper for duplicating machine.....	do.....	The Liberty Cherry & Fruit Co., Madison Avenue at Second Street, Covington, Ky.
30	Dried beans.....	Decrease of duty.....	Correspondence.
2	Lime juice.....	do.....	Hutcheson & Co. (Inc.), 204 Franklin Street, New York City.
3	Douglas fir, sitka spruce, west coast hemlock.....	Increase of duty.....	Sharon Tube Co., Sharon, Pa.
5	Cut flowers.....	do.....	Correspondence.
			West Coast Lumbermen's Association, 364 Stuart Building, Seattle, Wash.
			F. Rynveld & Sons, 350 Greenwich Street, New York City.



Applications and prospective applications received by the Tariff Commission for investigation under the provisions of section 336 of the tariff act of 1930—Continued

Date received	Name of article	Purpose of request	Name and address of applicant
1930			
Sept. 5	Dried beans.....	Decrease of duty.....	Correspondence.
8	Vegetable oil cake.....	do.....	Do.
10	Men's silk and opera hats.....	do.....	Brooks Bros., Madison Avenue, corner Forty-fourth Street, New York, N. Y.
10	do.....	do.....	Watson & Le Vine (Inc.), 2-8 Astor Place, New York City.
10	Eucalyptol.....	Reclassification.....	Correspondence.
15	Alumin, ferrosilicon aluminum, ferroaluminum silicon.....	Decrease of duty.....	Lanza Usines Electriques et Chimiques, Basle, Switzerland, by Fred Truempy, 1775 Broadway, New York City.
18	Graphite.....	Increase of duty.....	Correspondence.
18	Limes and lime juice.....	Decrease of duty.....	Do.
20	Fresh pineapples.....	do.....	Arthur Serra & Co., Produce Exchange Building, South Water Market, Chicago, Ill.
25	Crude barytes ore.....	Increase of duty.....	Clinchfield Sand & Feldspar Corporation, 430 Hearst Tower Building, Baltimore, Md.
25	Soy beans.....	Decrease of duty.....	Amerone Products Co., Wilmar, Calif.
26	Edible gelatin.....	do.....	Delft Gelatine Works, New York agency, 120 Liberty Street, New York City, through Netherlands Legation and Department of State.
30	Rayon yarn.....	Increase of duty.....	Correspondence.
Oct. 10	Certain fruit juices.....	Decrease of duty.....	Do.
11	Cylinder watch balances complete for Swiss watches, second hands for Swiss watches, radium hands for Swiss watches, hairsprings coiled and studded for Swiss watches.....	do.....	M. J. Lampert & Sons (Inc.), 119 Fulton Street, New York City.
17	Hats, bonnets, and hoods, manufactured by machine, composed wholly or in chief value of straw, chip, paper, grass, palm leaf, willow, osier, rattan, real horsehair, Cuba bark, ramie, or Manila hemp, whether wholly or partly manufactured.....	Increase of duty.....	Amform (Inc.), 35 West Thirty-fifth Street, New York City.
23	Men's neckwear.....	do.....	Correspondence.
24	Winter vegetables.....	Decrease of duty.....	Do.
25	Rough-tanned walrus leather.....	do.....	Greene, Tweed & Co., 109 Duane Street, New York City.
Nov. 3	Linen huck towels.....	Increase of duty.....	Niagara Textile Co., Lockport, N. Y. Also for James Elliott & Co., 44 White Street, New York, N. Y., and Foster Textile Co., Lockport, N. Y.
4	Pipes, and smokers' articles, common tobacco pipes and pipe bowls made wholly of clay.....	do.....	American Clay Pipe Works (Inc.), 239 Fourth Avenue, New York, N. Y.; Cereal Products Co., Manitowoc, Wis.; Chilton Malt Co., Chilton, Wis.; Froedtert Grain & Malt Co., Milwaukee, Wis.; Kreiner & Lehr, Buffalo, N. Y.; Kurth Malt Co., Milwaukee, Wis.; Ladish Stoppenbach Co., Milwaukee, Wis.
8	Barley malt.....	do.....	Geo. J. Meyer Malt & Grain Co., Buffalo, N. Y.; West Bend Malt Co., West Bend, Wis.; Milwaukee Western Malt Co., Milwaukee, Wis.; Northwestern Malt & Grain Co., Chicago, Ill.; F. Perot's Sons Malt Co., Philadelphia, Pa.; H. W. Rickel & Co., Detroit, Mich.; L. Rosenheimer Malt & Grain Co., Kewaskum, Wis.; Albert Schwill & Co., Chicago, Ill.; D. D. Weschler Sons (Inc.), Milwaukee, Wis.
Dec 2	Flax tow manufactures.....	do.....	Correspondence.
8	Linen towels.....	Decrease of duty.....	Do.
9	Steel pens.....	Investigation.....	S. Res. 360, Dec. 8, 1930. (Introduced by Senator Wagner.)
20	Cocoa and chocolate, sweetened and unsweetened, in bars or blocks weighing 10 pounds or more each.....	do.....	S. Res. 380, Dec. 19, 1930. (Introduced by Senator Gillett.)
22	Lumber manufactured from southern yellow pine.....	Increase of duty.....	H. C. Berckes, secretary-manager Southern Pine Association, New Orleans, La.
29	Cut flowers.....	do.....	Long Island Bulb Growers Association, Babylon, N. Y.
29	Gloves of leather.....	Decrease of duty.....	Syndicate of the Gloves Manufacturers of Grenoble, Millan, Paris, Chaumont, St. Julien. (Through French Embassy and Department of State.)
29	Cheese made of sheep's milk (Roquefort).....	do.....	Ste. Auxiliaire De L'Agriculture & De L'Industrie Du Sud-Ouest De La France. (Through French Embassy and State Department.)
29	Dried or fresh mushrooms, prepared or tinned in any manner.....	do.....	Henri Lagarde, Villefranche-de-Rouergue, France. (Through French Embassy and State Department.)
29	Drained and candied cherries, candied fruit.....	do.....	President de la Chambre Syndicale, Apt (Vaucluse). (Through French Embassy and State Department.)
29	Silk or opera hats, in chief value of silk.....	do.....	Alan Dellion Yvetot; I. Lapresly, Paris; Casse & Son, 3 Rue Victor Hugo, Essonnes. Through French Embassy and State Department.
1931			
Jan. 7	Crude barytes.....	Increase of duty.....	Correspondence.
8	Fresh pineapples.....	Investigation.....	S. Res. 397, Jan. 7, 1931. (Introduced by Senator McKellar.)
12	Red Holland cabbage.....	Decrease of duty.....	Correspondence.
14	Collodion emulsion.....	Increase of duty.....	Penn Process Co. (Inc.), Mill Road and Church Road, Elkins Park, Philadelphia, Pa.
15	Cooking wines and sauces.....	do.....	Correspondence.
22	Dried whole eggs, dried egg yolk, and dried egg albumen.....	Investigation.....	S. Res. 389, Jan. 21, 1931. (Introduced by Senator Shortridge.)
22	Casein.....	do.....	S. Res. 390, Jan. 21, 1931. (Introduced by Senator Shortridge.)
22	Dried beans.....	do.....	S. Res. 411, Jan. 21, 1931. (Introduced by Senator Vandenberg.)
22	Calf and kip upper and lining leather.....	Increase of duty.....	Correspondence.
23	Filaments of rayon and other synthetic textiles.....	Decrease of duty.....	Naamloze Vennootschap, Hollandsche Kunstzijde Industrie Breda, the Netherlands.

The Clerk read as follows:

Total, Tariff Commission, \$1,040,000.

Mr. SUMMERS of Washington. Mr. Chairman, I offer another amendment to correct the total.

The Clerk read as follows:

Page 42, line 3, strike out "\$1,040,000" and insert in lieu thereof "\$1,240,000."

The amendment was agreed to.

The Clerk read as follows:

No officer or employee of the United States Shipping Board or the United States Shipping Board Merchant Fleet Corporation shall be paid a salary or compensation at a rate per annum in excess of \$10,000 except the following: One at not to exceed \$18,000, and two at not to exceed \$15,000 each.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the subcommittee why it is when we fix the salary of the Commissioners of

the Shipping Board at \$12,000 each in this paragraph we permit the Shipping Board members drawing \$12,000 to appoint one employee under them at \$18,000 and two others at \$15,000 each?

Mr. SUMMERS of Washington. That is a question that has interested me why an employee should draw a larger salary than the manager. It is done in this instance in order that the Government may get a man especially qualified for the duties which he is called upon to perform. These men are in subordinate positions, and there is no prestige of honor that goes with the positions as it does with being a member of the board or the commission.

Mr. BLANTON. I imagine that a commissioner would rather be the \$18,000 employee than to be a \$12,000 commissioner.

Mr. SUMMERS of Washington. No doubt but that he would but he might not be qualified.



Mr. BLANTON. Is the gentleman in favor of continuing that policy, that a body drawing \$12,000 each may employ an underling at \$18,000?

Mr. LEHLBACH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LEHLBACH. The \$18,000 salaried employee is the president of the Merchant Fleet Corporation, and the gentleman knows that they run steamship lines to various ports of the world. Now, the person actively in charge of that operation is the president of the board; he must be an expert in shipping.

Mr. BLANTON. Who are the other \$15,000 men?

Mr. LEHLBACH. The vice president in charge of maintenance—

Mr. BLANTON. The distinguished gentleman from New Jersey, whose services we could not get along without here, only draws \$10,000.

Mr. LEHLBACH. Yes; but I am not performing expert services. The gentleman knows that the salary of the president of a railroad does not compare with the stipend that the board of directors get.

Mr. BLANTON. There might be some reason for that; but is there any reason for giving the board of commissioners authority to employ just as many \$10,000 men as they want to, without any limitation, within the scope of the appropriation?

Mr. SUMMERS of Washington. There is a specific limitation on the number they can employ.

Mr. BLANTON. Where, how, and when? It does not limit the number. You can employ any number of men at a salary of \$10,000 within the scope of the appropriation.

Mr. SUMMERS of Washington. I thought the gentleman was speaking of the higher salaries.

Mr. BLANTON. I am talking about the \$10,000 salaried men. I only draw \$10,000, and Senators draw \$10,000, and it is a pretty good salary.

Mr. SUMMERS of Washington. We have made considerable progress in this matter. They used to pay attorneys \$35,000 and it was not limited to one. We have been whittling that down until we have put it on a more economical basis.

Mr. BLANTON. The gentleman from Wisconsin [Mr. STAFFORD] has been sweating all day about this matter of high salaries, but he must not complain in the future, because his party and his appropriation committee and his subcommittee is still bringing them in here.

Mr. STAFFORD. Oh, the Cotton Stabilization Corporation is wet-nursing a man who may draw \$100,000, and it is that character of outrageous salary to which I object.

Mr. BLANTON. It is because he is an administration man and the subcommittee permits it.

Mr. STAFFORD. This is a matter of operating a great fleet corporation. The gentleman does not have that character of men down in the Panhandle of Texas.

Mr. BLANTON. And they do not go to Wisconsin for them.

Mr. STAFFORD. Oh, we have dozens of high-grade executives getting \$50,000 a year, and they would not take this measly sum up in Wisconsin.

The Clerk read as follows:

No part of the funds of the United States Shipping Board Merchant Fleet Corporation shall be available for the rent of buildings in the District of Columbia during the fiscal year 1932 if suitable space is provided for said corporation by the Public Buildings Commission.

Mr. AYRES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. AYRES: Page 47, after line 13, insert: "No part of the funds of the United States Shipping Board Merchant Fleet Corporation shall be available during the fiscal year 1932 for the purchase of any kind of fuel oil of foreign production for issue, delivery, or sale to ships at points either in the United States or its possessions."

Mr. AYRES. Mr. Chairman, I am very much in hopes that the committee will agree to this amendment. It is

similar to the amendment placed in the Army appropriation bill which passed the House some time ago.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Construction-loan fund: For an additional amount for the construction-loan fund, as authorized by section 302, Title III, of the merchant marine act of 1928 (U. S. C., Supp. III, title 46, sec. 891d), \$35,000,000: *Provided*, That any agreement for any loan hereafter made from the construction-loan fund shall be at a rate of interest of not less than 3½ per cent per annum.

Mr. LEHLBACH. Mr. Chairman, I reserve a point of order against the proviso. On behalf of the Committee on the Merchant Marine I desire to express our extreme appreciation and gratitude to the Committee on Appropriations which, busy as it is, yet finds time to relieve our committee of the necessity and duty of legislating with respect to merchant marine matters, and provides legislation itself in order to relieve our committee of any worry and work and trouble in the matter. As a matter of fact, this question of interest with respect to the construction loan fund has been considered by the Committee on the Merchant Marine. The committee reported a bill at the last session of Congress which passed the House. It was passed by the Senate with an amendment, and yesterday the House concurred in the amendment and the bill is on its way to the President. If the Committee on Appropriations will just let the Committee on the Merchant Marine and Fisheries attend to its own knitting we will be even more grateful. I make the point of order.

Mr. SUMMERS of Washington. Mr. Chairman, we realize that this is probably subject to a point of order. It was favored by the Shipping Board themselves, and we knew that this legislation was on the way through Congress, and that it had passed the House and had passed the Senate in a modified form; but, thinking that the legislative jam might prevent its going through this year, we did the thing which was so evidently desired and inserted this language.

The CHAIRMAN. The language of the proviso is clearly legislation, and the point of order is sustained.

Mr. SUMMERS of Washington. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. SUMMERS of Washington: Page 47, line 22, after the figures "\$35,000,000," insert "*Provided*, That any agreement or any loan hereafter made from the construction-loan fund shall provide that the construction be awarded to the lowest responsible bidder."

Mr. LEHLBACH. Mr. Chairman, I make the point of order against the amendment. It is clearly legislation. It seeks to amend the Jones-White Act by compelling an award to the lowest bidder. That does not come within the Holman rule. It does not come from a committee having jurisdiction which may report amendments that retrench expenditures. The Committee on Appropriations may offer propositions to reduce expenditures only in one of three ways—by reducing an appropriation, reducing a salary, or reducing the amount of money to be paid to anyone out of the Treasury of the United States. It does not come within the Holman rule. This is legislation. Furthermore, it is not germane to the question at issue. It is not germane to appropriating money for the maintenance of the construction-loan fund.

Mr. SUMMERS of Washington. Mr. Chairman, this is not a committee amendment. I did not have time to talk to the other members of the committee in regard to it, and I am offering it on my own responsibility for a reason which I think will show that it may well come within the provisions of the Holman rule. The board makes loans for the construction of merchant marine vessels up to 80 per cent of the cost of construction. There is one well-authenticated case, at least, where the bid was not let to the lowest responsible bidder. Without imputing bad motives or anything of that kind, we can well see that if the low responsible bid is not accepted and a higher bid is accepted and



then a loan of 80 per cent is secured, they might secure the total amount necessary to construct the vessel in the way of a loan and have not a dollar of their own money invested in it at all.

Mr. BLAND. Is not the gentleman wrong in stating it is 80 per cent? Does not the law provide 75 per cent?

Mr. SUMMERS of Washington. The testimony before our committee last year I am positive was that they loaned up to 80 per cent.

Mr. BLAND. Does not the gentleman think that the law is the best authority as to what it is?

Mr. SUMMERS of Washington. If the gentleman is able to state positively that it is 75 per cent—

Mr. BLAND. That is my recollection.

Mr. SUMMERS of Washington. I am very positive the testimony from the Shipping Board before our committee last year was that they loaned in some instances up to 80 per cent, and that is why I think this might well be a protection to the Federal Treasury.

Mr. BLAND. Are there not other factors to be considered?

Mr. LEHLBACH. Will the gentleman yield?

Mr. SUMMERS of Washington. I yield.

Mr. LEHLBACH. There are no contractual relations between the Government or the Shipping Board and the shipbuilder who builds these ships. The contract is between the private owner and the shipbuilder. The only concern which the Government has is in loaning money to the shipowner, and holding the vessel as security. A contract between two parties, to which the Government is in no sense a party, either directly or indirectly, certainly has no place as an amendment to an appropriation bill appropriating money, not for the purpose of paying the shipbuilder but for the purpose of loaning money to the shipowner. It has nothing to do with this provision at all.

Mr. SUMMERS of Washington. It is a case of loaning money to the shipowner with which to pay the constructor of the ship, and because these loans represent so nearly the cost of the ship, I feel it is important that the lowest responsible bid should be accepted, and then the loan would be based on that, and could not exceed the amount that may be properly loaned. I can see how it could very well, in some instances, protect the Treasury of the United States.

Mr. LEHLBACH. Does the gentleman not think that is a matter for consideration by a legislative committee of the House and is no concern of the Committee on Appropriations?

Mr. SUMMERS of Washington. No; not if it comes under the Holman rule.

Mr. BLAND. Will the gentleman yield?

Mr. SUMMERS of Washington. I yield.

Mr. BLAND. Does the gentleman not think there enters into that a consideration of the party to whom the money shall be loaned; the establishment of routes throughout the country; the establishment of services that are being rendered; whether the party is in a position to build up the merchant marine; and various other factors that enter into the consideration aside from that of the lowest responsible bid?

Mr. SUMMERS of Washington. Yes; but I think that is entirely beside the question. Some one wishes to secure a loan to build a ship. He secures the bid. If the bid runs very high, and they secure a loan of 80 per cent based on that bid for construction purposes, they may secure the entire amount that is required to build the ship. That is the thought that I had in mind. I am not concerned about it except as I think it might be throwing a safeguard around the loan fund.

Mr. BLAND. But is not that fact in itself an important consideration which the Shipping Board should take into consideration, or the parties loaning, and thus consider whether in the future the Shipping Board will have the ship back on its hands or whether it will be operated in the service of the merchant marine.

Mr. MORTON D. HULL. Will the gentleman yield for a question?

Mr. SUMMERS of Washington. I yield.

Mr. MORTON D. HULL. What the gentleman is attempting to do is to protect the Government, and the lender of the money, from any collusive arrangement between the Shipping Board and the shipbuilder by which the price may be made very high for the construction of a ship and 75 or 80 per cent of that cost borrowed from the Government, and some rebate arrangement made between the shipbuilder and the owner? Is that the sort of collusive arrangement to which the gentleman referred?

Mr. SUMMERS of Washington. The gentleman does not correctly state what I have in mind. My fear is collusion between the shipbuilder and the shipowner. Not the Shipping Board. I am not making any accusations, of course, in regard to this, but one case came to my attention which seemed to be well authenticated, where they did not accept the lowest responsible bid and gave another party the contract.

Mr. MORTON D. HULL. In that particular instance was the difference in cost between the bidder who got the contract and the low bidder an appreciable amount?

Mr. SUMMERS of Washington. I am not informed as to the amount of the difference.

The CHAIRMAN (Mr. DOWELL). The Chair is ready to rule. The Chair read from Rule XXI in connection with a previous amendment. The Chair will now read from that rule as follows:

Nor shall any provision in any such bill or amendment thereto changing existing law be in order except such as being germane to the subject matter of the bill.

The first thing that is necessary to determine is the germaneness of the amendment. The paragraph under consideration is the paragraph providing for the construction-loan fund. The amendment to this paragraph provides for the letting of contracts and for the accepting of bids. The Chair does not see that the amendment is germane to the paragraph under consideration, and therefore sustains the point of order.

Mr. WAINWRIGHT. Mr. Chairman, I move to strike out the last word. I take up the time of the committee with some reluctance at this late hour, but I feel the attention of the committee and of the House, indeed of the country, should be called to the shortcoming of the Jones-White merchant marine law in that it has failed to accomplish one of the main purposes that a great section of the people and of Congress thought it would accomplish.

The purpose of that act was to encourage the development of the American merchant marine. It was thought it would lead to the development and the building of the higher-grade ships; that is, those faster and larger passenger vessels, commonly known as superliners. In the discussion at that time, attention was drawn to the fact that it was desirable that the American flag should be kept flying upon the North Atlantic lane upon high-grade ships, such as were then building or planned abroad, and that through this act we should be enabled to develop ships in this country which, ship for ship, in speed and size, would compare with those that were being developed abroad.

The only ship that we had then, and that we have now, of this nature is the *Leviathan*, of the United States Lines, an old German captured ship, rapidly becoming superannuated. Since that time foreign shipping companies have been laying plans, the Cunarders for a 68,000-ton vessel to go over 28 knots an hour; the French Line for a vessel of 65,000 tons, that will go over 29 knots an hour, and the two German boats, the *Europa* and the *Bremen*, of which the public are well informed, vessels of over 50,000 tons, which travel over 29 knots.

Under the provisions of the Jones-White law, the aid extended to American shipping was through the loan provision that has been referred to earlier in the debate, and through the mail contract provision.



Now, by the mail contract, the limit was an allowance of \$12 a mile for the outward voyage on vessels of over 20,000 tons with a speed of 24 knots. It has been found that that is in no way adequate to encourage or make possible the operation of vessels such as the foreign lines will soon bring out.

Without going into detail, I have been informed by responsible shipping people, and the opinion is concurred in, as I understand, by the Shipping Board, that in order to make possible the operation of a vessel up to 30 knots that the mail-contract allowance must be raised to at least \$35 a mile, because the expense of the operation of a ship above 24 knots increases very much more rapidly than the rate of increase provided by this law, under which the maximum allowance for a speed up to 30 knots might be \$15 a mile.

So the result to-day under this law is that although we have lent or obligated somewhere near \$150,000,000 under the Jones-White Act for the construction of 52 vessels, the largest vessel that will be under construction by virtue of that act will have a speed of only 20 knots. There will be two of 30,000 tons at only 20 knots, and they are for the United States Lines, and two for the Dollar Line of 23,000 tons at only 20 knots.

It is evident that if we are to keep our place in the sun, you might say, with this higher grade of marine transportation, upon the fastest and the best ships, and vie with foreign shipping companies and shipbuilders in that respect, and furnish our people with the kind of ships they demand to travel on—because the trade will follow the highest type of ship—we must very much increase the allowance provided at present for the mail contract.

I understand that the chairman of the Committee on the Merchant Marine has introduced a bill to accomplish that result. I have noticed that he made a speech before a marine conference here in Washington the other day on this subject, and I am simply taking this means of drawing the attention of the membership of this House to this extremely important subject for the purpose of arousing their interest in the enactment of the necessary legislation, to accomplish the result that is so much to be desired; that is, to make it possible for us to build and operate on a profitable basis vessels that will compare with the finest type of vessels that are being constructed abroad for the Atlantic trade. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WELCH of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WELCH of California: Page 47, line 22, after the figures "\$35,000,000," insert "Provided further, That of the amounts hereafter available for the making of loans from the construction-loan fund, not in excess of 60 per cent shall be loaned for the construction of vessels at points not on the Pacific seaboard."

Mr. LEHLBACH. Mr. Chairman, I make a point of order against the amendment on the ground that the amendment is not germane, that it is legislation and does not come within the Holman rule.

Mr. BLAND. Not only that, but it is an interference with executive discretion.

Mr. WELCH of California. Mr. Chairman, regardless of the objections made by the gentleman from New Jersey and the gentleman from Virginia, if this amendment is adopted, as I contend it should be—

The CHAIRMAN. Does the gentleman desire to discuss the point of order?

Mr. WELCH of California. I do.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. WELCH of California (continuing). The primary purpose of the merchant marine act of 1928 as a national-defense measure will be carried out.

Mr. WOODRUM. Mr. Chairman, I make the point of order that the gentleman is not discussing the point of

order. I dislike to do this, but the hour is late, and we want to finish this bill.

The CHAIRMAN (Mr. DOWELL). If the gentleman desires to discuss the point of order the Chair will be glad to hear him briefly. If not, the Chair is ready to rule.

The amendment, it occurs to the Chair, is clearly legislation and is in violation of the rule. Therefore, the point of order is sustained.

The Clerk read as follows:

Administration, medical, hospital, and domiciliary services: For all salaries and expenses of the Veterans' Administration, including the expenses of maintenance and operation of medical, hospital, and domiciliary services of the Veterans' Administration, in carrying out the duties, powers, and functions devolving upon it pursuant to the authority contained in the act entitled "An act to authorize the President to consolidate and coordinate governmental activities affecting war veterans," approved July 3, 1930 (46 Stat., p. 1016), and any and all laws for which the Veterans' Administration is now or may hereafter be charged with administering, \$110,228,707: *Provided*, That not to exceed \$3,500 of this amount shall be available for expenses, except membership fees, of employees detailed by the Administrator of Veterans' Affairs to attend meetings of associations for the promotion of medical science and annual national conventions of organized war veterans: *Provided further*, That this appropriation shall be available also for personal services and rentals in the District of Columbia and elsewhere, including traveling expenses; for expenses incurred in packing, crating, drayage, and transportation of household effects and other property, not exceeding in any one case 5,000 pounds, of employees when transferred from one official station to another for permanent duty and when specifically authorized by the administrator; furnishing and laundering of such wearing apparel as may be prescribed for employees in the performance of their official duties; purchase and exchange of law books, books of reference, periodicals, and newspapers; for passenger-carrying and other motor vehicles, including purchase, maintenance, repair, and operation of same; for operating expenses of the Arlington Building and annex, including repairs and mechanical equipment, fuel, electric current, ice, ash removal, and miscellaneous items; for allotment and transfer to the Public Health Service, the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration, including minor repairs and improvements of existing facilities under their jurisdiction necessary to such care and treatment; for expenses incidental to the maintenance and operation of farms; for recreational articles and facilities at institutions maintained by the Veterans' Administration; for administrative expenses incidental to securing employment for war veterans; for funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration accruing during the fiscal year 1932 or prior fiscal years.

Mr. KVALE. Mr. Chairman, I move to strike out the last word. I am wondering if the chairman of the committee has any information regarding how much of the money available under this appropriation is used for the payment of salaries of inspectors? I can not find anything bearing on it in the hearing.

Mr. SUMMERS of Washington. We have not that information, but if there is some used for that particular purpose I am sure the Veterans' Administration would be glad to furnish the information to the gentleman.

Mr. KVALE. I have asked this question only for the purpose of suggesting that my information and my experience lead me to believe that at a very early date Congress will have to undertake to study this matter of the inspector system and its operation to ignore and disregard the specific provisions of law.

I do not want to take up the time of the committee at this late hour, but I am wondering whether there is any such information in the hands of the committee.

Mr. SUMMERS of Washington. The committee has no such information, but I will say that when this matter is under consideration next year the committee will be glad to have the gentleman appear before it and give such information as he may have in his possession.

Mr. LUCE. Will the gentleman yield?

Mr. KVALE. Yes.

Mr. LUCE. I think the gentleman from Minnesota may not have observed one statement in the hearings that bears upon his question, to the effect that of every dollar received by the Veterans' Bureau 96 cents goes to the veterans in benefits of one form or another and that the administrative



functions, the overhead, you might say, take 4 cents of every dollar.

Mr. KVALE. I thank the gentleman, but I was directing my inquiry more to the system and some of its abuses than to the actual expenditure of funds.

The Clerk read as follows:

Compensation: For the payment of military and naval compensation, emergency officers' retirement pay, and disability allowances, accruing during the fiscal year 1932 or in prior fiscal years for death or disability provided by the act approved October 6, 1917, as amended, and the World War veterans' act, 1924, approved June 7, 1924, as amended (U. S. C., title 38, secs. 421-576; U. S. C., Supp. III, title 38, secs. 422-537; act July 3, 1930, vol. 46, p. 991), and the act entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War," of May 24, 1928 (U. S. C., Supp. III, title 38, secs. 581-582), and for the payment of annuities authorized by the acts approved May 23, 1908 (35 Stat. 1325), and February 28, 1929 (45 Stat. 1409), to the persons named therein, including James L. Hanberry in lieu of James F. Hanberry, and John H. Andrus in lieu of James A. Andrus, \$267,327.025.

Mr. PATMAN. Mr. Chairman, I offer an amendment, page 51, line 6, strike out the words "World War veterans' act."

The CHAIRMAN. The gentleman from Texas offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 51, line 6, strike out the words "World War veterans' act."

Mr. PATMAN. Mr. Chairman, there is a discrimination against the World War veterans and their widows and children as compared with the benefits given under the Spanish-American War veterans' act.

For a non-service-connected disability of 10 per cent to 24 per cent a veteran of the Spanish-American War draws \$20 a month, while the World War veteran draws nothing. For a 25 per cent to 49 per cent disability, nonservice connected, the Spanish-American War veteran draws \$25 while the World War veteran draws \$12, and the table is about the same all the way down, the Spanish-American War veteran drawing about twice as much as the World War veteran for the same non-service-connected disability.

Now, take the case of the widows. The widow of a Spanish-American War veteran, where the veteran died by reason of a nonservice-connected disability, draws \$30 a month with \$6 for each child. The World War veteran's widow draws nothing. She does not draw anything for herself or for her child, and there is a discrimination here against the World War veterans, their widows, and their children.

#### DISCRIMINATION SHOULD BE REMOVED

This discrimination should be removed, and if a bill were brought before the House to-day I doubt that one Member would object to the consideration of the bill. I do not think there would be one vote against it, but at the same time it looks like we are not going to have such a bill presented. Our chairman of the World War Veterans' Legislation Committee, the gentleman from South Dakota, is confined in a hospital, I understand. I am awfully sorry he is ill and is not able to be here. We wish him a speedy recovery. He is a very fine man. He has rendered excellent service not only for the veterans, but for his country as well. His distinguished war record is well known and recognized. In view of the fact he is not able to be here I am hopeful that the leaders of the House will see that there is a meeting of some kind of the Committee on World War Veterans' Legislation at an early date in order that a bill may be drawn up and presented to the House removing and eliminating the discriminations to which I have invited your attention.

It is certainly not right to say to the widow of a World War veteran who, perhaps, has three or four children too young for her to leave, who has no property and can not work because she must remain home and look after the children, that she shall not draw a cent, whereas in the next house there is the widow of a Spanish-American War

veteran, with perhaps children old enough to help the mother make a living, drawing compensation or an allowance from the Government. If widows of Spanish-American War veterans who died from non-service-connected disabilities should draw an allowance from the Government, and they should, no one would deprive them of it, certainly widows and children of World War veterans, where the husband and father died by reason of a disability not proven to be service connected, should also draw an allowance from the Government of an equal amount.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to withdraw the amendment, which was a pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

There was no objection.

Mr. PATMAN. Under leave to extend my remarks, the following statement is inserted:

#### DISCRIMINATIONS AGAINST WORLD WAR VETERANS, JANUARY 27, 1931

For non-service-connected disabilities of veterans of Spanish-American War and World War who served 90 days or longer and who were honorably discharged, the following rates of monthly compensation were enacted into law:

Disability	Spanish-American War	World War
10 to 24 per cent.....	\$20.00	Nothing.
25 to 49 per cent.....	25.00	\$12.00
50 to 74 per cent.....	35.00	18.00
75 to 99 per cent.....	50.00	24.00
100 per cent.....	60.00	40.00

If such a Spanish-American War veteran requires the regular aid and attendance of another person, he will receive \$72 a month; if such a World War veteran requires the regular aid and attendance of another person, he receives nothing additional.

Widows of such veterans of Spanish-American War, whose husbands died from causes not connected with their services, draw \$30 a month each and \$6 for each child under 16 years of age; widows of such World War veterans draw nothing for themselves or children.

This discrimination should be removed. The present Republican administration caused it. World War veterans, their widows, and children, should draw same compensation from the Government as Spanish-American War veterans, their widows and children.

Congress considers and has enacted into law many thousand special acts granting relief to Spanish-American War veterans and veterans of other wars when their cases were border line or were refused by the Bureau of Pensions on legal technicalities. The present administration refuses to consider a special act for relief of a World War veteran whose border-line claim for service-connected disability has been refused by the Veterans' Bureau on legal technicalities or unnecessary red tape.

Special acts for meritorious claims of veterans of World War should be considered and thereby remove this discrimination.

The Clerk read as follows:

Adjusted-service certificate fund: For an amount necessary under section 505 of the World War adjusted compensation act of May 19, 1924 (U. S. C., title 38, secs. 645-647), to provide for the payment of the face value of each adjusted-service certificate in 20 years from its date or on the prior death of the veteran, \$112,000,000, to remain available until expended.

Mr. WOODRUM. Mr. Chairman, I move to strike out the last word. I ask unanimous consent to insert in the RECORD at this point a statement showing the exact status of the adjusted-compensation fund, showing the amount heretofore appropriated, earnings in the form of interest, the form in which the fund is invested, and other information which will be of interest to the House.

Mr. CHINDBLOM. Will the gentleman state the source from which he gets his information?

Mr. WOODRUM. The Veterans' Bureau.

The CHAIRMAN. Is there objection?

There was no objection.



The matter referred to is as follows:

*Adjusted compensation estimates as of commencement of business  
January 1, 1931*

Number of veterans eligible to receive certificates.....	3,651,314
Number of applications received:	
War Department.....	3,242,065
Navy Department.....	468,913
Marine Corps.....	66,265
	3,777,243
Number of certificates issued.....	3,498,376
Face value of certificates issued.....	\$3,528,022,777
Average value of each certificate.....	\$1,008,474,440
Average age stamped on each certificate..... year.....	33.3
Payments to veterans of \$50 and less:	
Number of cash settlements made to veterans.....	128,362
Value of cash settlements made to veterans.....	\$4,131,639.57
Number of veterans' cases on which cash settlements have been made to beneficiaries.....	108,980
Value of cash payments made to beneficiaries:	
Payments to dependents of less than \$50.....	\$185,252.92
Payments to beneficiaries in quarterly installments.....	\$32,619,482.79
\$60 payments under sec. 608 World War adjusted compensation act.....	\$2,761,440.25
Number of matured certificates.....	100,403
Amount of matured certificates.....	\$101,254,270
Number of certificates in force.....	3,397,973
Face value of certificates in force.....	\$3,426,768,507
Loan value of unmatured outstanding certificates.....	\$730,905,000
Average loan value of unmatured outstanding certificates.....	\$216.76
Average amount of indebtedness (principal) outstanding against certificates pledged for loans.....	\$181.64
Number of outstanding loans made by bureau on adjusted-service certificates (paid from United States Government life-insurance fund).....	1,384,036
Amount of outstanding loans.....	\$258,131,516.40
Interest earned, uncollected.....	9,709,218.04
Total indebtedness outstanding to United States Government life-insurance fund on account of loans on adjusted-service certificates.....	\$267,840,734.44
Number of outstanding loans on redemption to banks (paid from adjusted-service-certificate fund).....	110,240
Amount of outstanding payments to banks in redemption of loans.....	\$12,211,397.45
Interest earned, uncollected, on loans on adjusted-service certificates.....	1,547,482.77
Total outstanding amounts to be collected on loans redeemed.....	\$13,758,880.22
Number of outstanding loans made by banks.....	140,000
Amount of outstanding loans made by banks.....	\$25,253,200
Approximate total number of loans made by bureau as of Jan. 23, 1931.....	2,923,391
Approximate number of bank redemptions as of Jan. 23, 1931.....	348,379
Total.....	3,272,270

JANUARY 14, 1931.

Investments for account of the adjusted-service certificate fund as of the beginning of business January 2, 1931.

All are special issues of Treasury notes, registered in the name of the Secretary of the Treasury for account of the adjusted-service certificate fund, maturing five years from dates of issue and bearing interest at the rate of 4 per cent per annum, payable annually or on earlier redemption. These securities are held in safekeeping by the Division of Loans and Currency, Treasury Department, subject to the order of the Secretary of the Treasury:

Issue date and maturity date:	Principal amount:
Jan. 1, 1927—Jan. 1, 1932.....	\$123,400,000
Jan. 1, 1928—Jan. 1, 1933.....	123,400,000
Jan. 1, 1929—Jan. 1, 1934.....	127,700,000
Jan. 1, 1930—Jan. 1, 1935.....	137,800,000
Jan. 1, 1931—Jan. 1, 1936.....	244,000,000
Total.....	756,300,000

NOTE.—In accordance with established procedure the appropriation of \$112,000,000 available January 1, 1931, and \$24,700,000 of the interest on investments in the fund due on that date were invested in adjusted-service obligations aggregating \$136,700,000 face amount, bearing interest at the rate of 4 per cent per annum. In addition, \$107,300,000 face amount of 4 per cent Treasury notes of the adjusted-service series held in the investment account matured and were redeemed as of January 1, 1931, and the proceeds reinvested in an equal face amount of like kind of obligations maturing January 1, 1936.

*Status of adjusted-service certificate fund, January 1, 1931*

Amount appropriated.....	\$784,000,000.00
Cash collections:	
Interest on loans on adjusted-service certificates.....	\$1,717,595.20
Interest on other investments.....	60,740,090.93
Interest deducted from matured certificates on account of redeemed loans.....	9,492.98
	62,473,179.11
Repayments of loans (principal).....	24,986,430.05
Total to be accounted for.....	\$71,459,609.16
Less payments:	
Matured certificates (deceased veterans)—	
Amount paid beneficiaries.....	97,387,347.99
Amount paid in liquidation of loans due United States Government life-insurance fund—	
Principal.....	2,816,985.55
Interest.....	85,793.82

*Less payments—Continued*

Matured certificate (deceased veterans)—Continued	
Amount paid banks in redemption of loans (deceased veterans).....	\$579,068.09
Amount of loan redemption liquidated (deceased veterans)—	
Principal.....	375,581.80
Interest.....	9,492.98
Total expenditures.....	\$101,254,270.23
Amount paid banks in redemption of loans.....	38,152,477.39
Less—	
Amounts paid banks in redemption of loans (deceased veterans).....	\$579,068.09
Amount of loan redemptions liquidated—principal (by deduction—deceased veterans).....	375,581.80
	954,649.89
	37,197,827.50
Total disbursements.....	138,452,097.73
Balance in fund.....	733,007,511.43
Outstanding amounts to be collected:	
Net principal of payments to banks in redemption of loans.....	12,211,397.45
Interest earned, not yet collected—	
On loans on adjusted-service certificates.....	\$1,547,482.77
On other investments.....	24,784,000.00
	26,331,482.77
Total value of fund.....	771,550,391.65

The above total does not include the \$112,000,000 carried in this bill.

Mr. PATMAN. Mr. Chairman, on page 53, lines 23 and 24, I move to strike out the words "World War veterans' adjusted compensation act."

Mr. Chairman and members of the committee, we are all pleased with the fact that the chairman of the Ways and Means Committee has announced that hearings on the proposal to pay the adjusted-service certificates in cash will commence next Thursday. We are hopeful that some bill will be passed this session of Congress. I am disappointed because hearings come so late in the session. We have only thirty-one or two legislative days remaining. Of course, it looks like we may have difficulty in getting hearings on the bill and then getting the legislation passed at this session. But those of us who have been active in sponsoring the legislation have confidence in the committee, that they are going to make an honest, sincere, conscientious effort to agree on some bill that will meet with the approval of all concerned and be a benefit to the country.

Yesterday when I attempted to speak out of order on the bill to pay the adjusted-service certificates the majority leader [Mr. TILSON] objected to my speaking, because he said I did not have permission to speak out of order.

Mr. SNELL. The gentleman is speaking out of order at the present time. If he is going to criticize the majority leader—

Mr. PATMAN. If the gentleman will allow me to proceed, he will see that I am not criticizing the majority leader.

Mr. SNELL. If I wait until the gentleman has finished it will be too late.

Mr. PATMAN. There will be no criticism of the majority leader when I get through. The language of the majority leader was that I should not be allowed to trifle with the House. I want to state that I had no intention of trifling with the House, and any such charge was without foundation. I do not say that he has trifled with the veterans.

Mr. SNELL. I make the point of order, Mr. Chairman, that the gentleman is not proceeding in order.

The CHAIRMAN. The gentleman from Texas will proceed in order.

Mr. PATMAN. If the gentleman will let me get through he will see that I am speaking to the World War veterans' compensation act.

Mr. CHINDBLOM. The question is, Shall those words be stricken out?

The CHAIRMAN. The gentleman will proceed to discuss his amendment.

Mr. PATMAN. We are trying to get the best plan to solve this problem. I am not expecting my bill in my name to pass—



Mr. SNELL. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment.

The CHAIRMAN. The gentleman from Texas will proceed to discuss his amendment.

Mr. PATMAN. I want to say further, Mr. Chairman, that the chairman has called the committee together, and we expect to cooperate in the matter 100 per cent in furnishing testimony.

The Clerk read as follows:

Total, Veterans' Administration, \$866,012,732.

Mr. SUMMERS of Washington. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SUMMERS of Washington: Page 54, in line 11, after the figures, strike out the period, insert a colon and the following: "Provided, That no part of this appropriation shall be expended for the purchase of oleomargarine or butter substitutes, except for cooking purposes."

Mr. SUMMERS of Washington. Mr. Chairman, we were informed last year that oleomargarine or butter substitutes were not used on the tables in the veterans' hospitals, and we are also informed that large quantities were used in the soldiers' homes in the past, whether on tables or not, I do not know. Under the new administration probably that would not be the case. If it does not change the policy, the amendment will do no harm, and if, perchance, these substitutes are being used, then we think they should not be used, and so offer the amendment.

Mr. HASTINGS. Is that the same language that was used in the Army appropriation bill?

Mr. SUMMERS of Washington. It is.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LUCE. Mr. Chairman, I move to strike out the last word. I shall detain the House for only a moment or two, my purpose being to emphasize the figures in line 11 where the total to be expended for veterans' administration in the coming fiscal year is given as \$866,012,732. In the fiscal year ended June 30, 1915, when our national expenditure reached the high spot before our entry into the World War, the total of the ordinary expenditures of the Government of the United States was \$760,587,000. That was only 16 years ago. In this one item we are appropriating for the benefit of veterans (and more than 96 cents out of every dollar will go to their benefit directly) \$100,000,000 beyond the total of the ordinary expenses (which means excluding the Post Office business) of conducting the United States Government 16 years ago.

The Committee on World War Veterans' Legislation has been criticized from time to time and the other committees of Congress concerned with the affairs of the veterans have been criticized and Congress itself has been criticized for not being generous with the veterans. These criticisms come most often at a moment like the present, when new proposals are agitating the country, and in the height of the fever brought on by oratorical stress, gentlemen even on the floor of the House blame Congress for not having been generous.

At meetings of Legion posts all over the country Congress is blamed for not having been generous. They go further than that and say that Congress has not been just. They say that Congress has been mean, niggardly, and ungrateful to the soldiers. I want it recorded here once more that to-day in the normal, natural course of our affairs, without any other discussion of the total than that I am presenting now, we are giving to the veterans of this country \$100,000,000 more than the total expense of conducting the United States Government 16 years ago.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. WOODRUM. Of course, the gentleman does not mean to leave the impression that we are giving veterans of the World War that amount of money?

Mr. LUCE. I do not. We are trying as well to treat justly the veterans of other wars. If the gentleman desires some information spread on the record as to the treatment of World War veterans, I point out to him that in one single particular, that of disability allowances for which we provided in the bill of last June, we are here adding \$50,000,000 as one year's contribution to the veterans of the World War.

This bill contemplates an increase over the actual appropriation for similar purposes for the current fiscal year of 1931, of \$108,298,712.

This total does include the increase for the Spanish War veterans, but that is a minor part. I think it is safe to say that this bill contemplates \$100,000,000 more for the veterans of the World War than did the appropriation of a year ago.

Mr. WOODRUM. I am not contending with the gentleman, but I simply wanted the record to be clear that the \$866,000,000 plus is for all combined activities and not just for the veterans of the World War.

Mr. LUCE. Yes; and I want it clear also that we here add \$100,000,000 to what we appropriated last year for the World War veterans.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WAINWRIGHT. Mr. Chairman, I ask unanimous consent to extend my remarks that I made this afternoon and to insert therewith a statement furnished me by the Shipping Board respecting the types of vessels that have been constructed with loans from the Shipping Board.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. THATCHER. Mr. Chairman, I move to strike out the last word for the purpose of inquiring of the chairman of the committee whether under the law consolidating these activities under the Veterans' Administration the total cost will be less or more than it was before the consolidation.

Mr. SUMMERS of Washington. The saving resulting from the consolidation, according to General Hines, is something more than \$3,000,000.

I have used the amount before and I will insert the correct amount.

Mr. THATCHER. In other words, if these activities were separated as they were before, under existing law, they would cost about \$3,000,000 more to administer than they cost under the consolidated administration?

Mr. SUMMERS of Washington. That is right.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 4. Whenever, during the fiscal year ending June 30, 1932, the executive head of any independent bureau, office, or establishment appropriated for in this act shall find that the expenses of travel, including travel at official stations, can be reduced thereby, he may authorize in lieu of actual operating expenses, under such regulations as he may prescribe, the payment of not to exceed 3 cents per mile for motor cycles or 7 cents per mile for an automobile used for necessary travel on official business.

Mr. CROWTHER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York [Mr. CROWTHER] offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CROWTHER: Page 56, after line 6 add a new section to be known as section 5, to read as follows:

"No part of the moneys appropriated under this act shall be used for the purchase of goods, wares, and merchandise not produced by American labor unless such articles can not be procured without serious impairment to the work of such bureau or independent establishment, and a statement by the head of such bureau or independent establishment is filed with the disbursing officer at the time of the payment for such goods, wares, or merchandise."

Mr. SUMMERS of Washington. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill.

The CHAIRMAN (Mr. DOWELL). The amendment, although drawn in the form of a limitation, imposes additional



duties upon an executive officer, and is therefore legislation, and the Chair sustains the point of order.

The Clerk concluded the reading of the bill.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last word. I wish to ask the chairman of the subcommittee whether it is not customary to call these acts "appropriation acts." This bill reads, "Independent offices act." Should it not read, "Independent office appropriation act, 1932"?

Mr. SUMMERS of Washington. We are using the language as it came to us from the Bureau of the Budget.

Mr. CHINDBLOM. In the Budget all items relate to appropriation acts, and they may not specifically term each act as an appropriation act, but this will be printed separately and will be available separately, and I think it ought to carry the proper term. I think I recall that has been customary.

Mr. SUMMERS of Washington. There is no objection to that.

Mr. CHINDBLOM. Mr. Chairman, I ask unanimous consent that the word "appropriation" may be inserted between the word "offices" and "act" in line 8, by way of amendment.

The CHAIRMAN. The gentleman from Illinois [Mr. CHINDBLOM] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: On page 56, line 8, after the word "offices" insert the word "appropriation."

The amendment was agreed to.

Mr. SUMMERS of Washington. Mr. Chairman, I ask unanimous consent that the total be changed to read \$1,052,768,140.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington [Mr. SUMMERS]?

There was no objection.

Mr. SUMMERS of Washington. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. DOWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 16415) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1932, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SUMMERS of Washington. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SUMMERS of Washington, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### NATIONAL PARK APPROACHES

Mr. LEAVITT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12404) to amend the act of April 9, 1924, so as to provide for national-park approaches, and agree to the Senate amendments.

The SPEAKER. The gentleman from Montana asks unanimous consent to take from the Speaker's table House bill 12404, with Senate amendments, and agree to the Senate amendments.

The Clerk will report the bill and the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 21, after "reconstruct," insert "and."  
Page 2, line 22, strike out "and maintain."

The SPEAKER. Is there objection?

Mr. GARNER. Mr. Speaker, reserving the right to object, I understand these Senate amendments have had the consideration of the various members of the committee and that they are entirely agreeable to the minority members thereof.

Mr. LEAVITT. That is true.

Mr. CHINDBLOM. Mr. Speaker, further reserving the right to object, what is the effect of the addition of the words "and maintain."

Mr. LEAVITT. At the present time the law which is amended by this act contains a provision for the maintenance of the roads within the park. When the bill was under consideration this amendment was offered, including another authorization to do the same thing and limiting it to two years. We wish to accept the Senate amendment so that the law with regard to the maintenance of the roads within the park will be left as it has been in the past.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were agreed to.

#### THE NAVY AT THE BATTLE OF NEW ORLEANS

Mr. O'CONNOR of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address by the Hon. Ernest L. Jahncke, The Assistant Secretary of the Navy, before the members of the Louisiana Historical Society and citizens of New Orleans on the anniversary of the Battle of New Orleans.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. O'CONNOR of Louisiana. Mr. Speaker, I believe it was Macaulay who said that one word more or less in the celebrated speech of Demosthenes, On the Crown, would mar if not blemish that masterpiece, which has served as a model for all orators of a classical turn of mind who have come and gone during the progress of the grand drama of life since the immortal Athenian made his flight to Elysian fields. In a measure some such expression would not be amiss if made with reference to an address by Hon. Ernest Lee Jahncke, The Assistant Secretary of the Navy, before the members of the Louisiana Historical Society and citizens of Louisiana on the anniversary of the Battle of New Orleans, New Orleans, January 8, 1931.

And this statement, Mr. Speaker and Members of the House, is not entirely due to the affection the people of New Orleans have for Commodore Jahncke, for we all view his business and public career with unstinted admiration; but it expresses the unanimous view of the many prominent men and women present at the banquet that some of the foremost citizens of the South tendered the First Assistant Secretary on January 8 in appreciation of his signal service to the country. The address was the finest on the subject of the Battle of New Orleans, from a naval standpoint, that had ever been delivered in the historic old city that we love to believe "care forgot."

A man, every inch a man, is my friend and fellow citizen of New Orleans. Read his address, for it is one of the best contributions ever made by any historian or publicist to the history of our country.

ADDRESS BY HON. ERNEST LEE JAHNCKE, THE ASSISTANT SECRETARY OF THE NAVY

Your Excellency the Governor of Louisiana, your honor the mayor of New Orleans, Mr. President, members of the Louisiana Historical Society, and citizens, I am very glad that I was asked to speak here to-night. It is natural that we all take satisfaction in projecting from the traces of the past the lines of the future in order that we may derive from history its lessons and upon them lay our future courses.



Man may not know all, nor can he learn all that his fellows know. But he can, by utilizing the means at his command, collate his knowledge so that he can have from it the fullest picture with all the shadings and color of experience which is the essence of that record of human achievement which we call history.

To-day is one dedicated to recall the memory of the splendid sacrifice, made upon our own soil, of those American soldiers, sailors, and marines of a century and more ago.

In talking, as I proceed in my remarks, of the naval factor which influenced development of the American strategy to bring victory to our arms at Chalmette, I am only taking from the record of that stirring period a few of the details which too many of our historians have neglected.

A fuller appreciation of the magnificent part played by our Naval and Marine officers in shaping and helping to win the Battle of New Orleans can not dim the glorious valor and leadership of Andrew Jackson, nor can it lessen the tragedy which lay in the death of Pakenham, so fresh from his peninsular campaigns.

Too many of our people, serene in a consciousness of America's greatness, are apt to forget the storms that attended its birth and early years and to overlook the capacity of their forebears to endure hardship, privation, and danger for the sake of free institutions.

In reverence of what we have become, too often we overlook the environment of our beginnings.

We have become what we are—what, please God, we shall be always—largely through the loyalty, the valor, and the capacity and patriotism of those who led the struggles for freedom and justice upon the sanctified soil of Chalmette and other hallowed fields.

If we allow such sacrifice and service to be forgotten we will not be able to reap, nor to preserve for posterity, the fruits of their victory.

In preservation of their ideals we must rejoice and lend our reverent thought to such observances as those we have been privileged to witness to-day.

We are essentially little different from our great grandfathers. It was an army of citizens under the leadership of Andrew Jackson that turned back Britain's seasoned veterans in the Battle of New Orleans and defeated a formidable invading force.

Around nuclei of small regular military and naval forces the young Republic raised its armies and its navies to meet its emergencies. The same policy persists to-day.

The United States does not saddle its people with an unreasonable tax burden, but maintains sturdy peace-time forces which are the backbone of the potential fighting strengths of which we may have need.

Our policy of national defense has developed from the early days when a sturdy citizenry gave us our strength.

To-day we do not depend upon the professional soldier and sailor but upon the citizen whose foresight has allowed, through Congress, a national defense built around a good Army and a good Navy, each of which has definite peace-time functions.

Should occasion arise when men or nations can not be disposed through moral impulse to respect the rights of free people, physical force must stand against aggression and imposition.

In the scheme of our civilization the soldier and the sailor are one and the same, being different only in the element upon which he depends for his activeness.

In paying tribute to those heroic soldiers and sailors of 1814-15 we come again to an appreciation of the citizen and to a realization of our responsibility to those small forces of regulars whom we maintain ashore and afloat as the keyed units of our national defense.

The great George Washington told us that "when we assumed the soldier we did not lay aside the citizen," while Blackstone drew for us our own likeness, saying that "it is because he is a citizen and would wish to continue so that he makes himself for a while a soldier."

As Orleanians, we to-day have the same duty to our homes and institutions as that of our forebears in 1814. Though we have no foreign foe threatening at our doors we are not relieved of the responsibility to make for our children their greatest opportunity in a free atmosphere.

For posterity, as well as for our own offspring, there is our continual need of putting to youth the valiant and patriotic example of those sturdy builders who have given to us our country and its institutions.

Under the influence of racial elements unsympathetic with the American ideal there is a danger of breakdown of the structure erected by our forefathers, unless we are vigilant, loyal, and alert in the preservation of the rational and emotional ties that we have with our past.

Our schools should continually instill the principles upon which the United States rests.

There is no need for apprehension if these principles and ideals are indoctrinated in the minds of American children during their formative years.

New Orleans is one of the great seaports of the world.

New Orleans is the gateway to an empire which was a pawn in the games played by the great kingmakers upon the checkerboard of the world.

Europe lost a pawn when the astute diplomacy of Adams and Jefferson, supporting our plenipotentiaries in Napoleon's court,

tempted the Little Corporal to reacquire the Louisiana territory from Spain by the secret treaty of San Ildefonso, after which he yielded to us and Jefferson bought this great domain of valley and delta, paying Napoleon in bills drawn on a Dutch-English banking house.

The imperial valley of the Mississippi was the prize at stake in three wars: The French and Indian, the Revolution's unsung epic of the western borders, and the War of 1812.

In 1803 Jefferson consummated the Louisiana Purchase. A distrustful people saw Laussat reacquire Louisiana for France only to deliver the territory to the commissioners, Claiborne and Wilkinson.

How the territory, though American by decree and by law, remained European in spirit and in attitude was well described in the reports of Capt. John Shaw, of the American Navy, written in 1813 while he was on duty at our first naval station on the Tchefuncta near Lake Pontchartrain.

It was the common sacrifice of Jackson's volunteers and the Louisiana Militia, welded by common danger into the army of the defense of New Orleans, which perfected the title of the United States to Louisiana and sealed in blood the bond that binds Louisiana to the United States.

New Orleans and Louisiana do not alone realize their importance to the United States. They take a place in national and world affairs second to no other.

New Orleans smiles a friendly welcome across the Gulf of Mexico and the West Indies and sees beyond the Caribbean the front doors of friendly Republics.

She is around Panama's close corner from the Orient and can be neighborly at once with Europe and Africa, South America, Asia, and the Antipodes, and all the countries that border the seven seas.

She is a crossroads of the world.

Here is a natural gateway to one of the richest, most populous, and diversified regions of the earth, the storehouse of much of our natural wealth.

President Hoover—when he spoke at Louisville—visualized the opening of great inland waterways, from the Gulf of Mexico to the far broad fields of the valley's fertile sweep.

Later, it was my great privilege to have a message from our great President; a message of confidence in the present and in the future of New Orleans.

The substance of that message, my fellow Louisianians, was: Do not sell New Orleans short.

This is the inheritance you have from the makers of our Nation.

It is to preserve this that we have our modern system of national defense in which our peace-time Navy plays such an important part.

Andrew Jackson, whose memory we honor to-day, outlined what we know to be a reasonable concept, saying of the Navy that "it is your true policy, for your Navy will not only protect your rich and flourishing commerce in distant seas but will enable you to reach and annoy the enemy, and will give to defense its greatest efficiency by meeting the danger at a distance from home."

Andrew Jackson, in his completion of the Mobile campaign and in his eventual defeat of Pakenham before New Orleans, had reason to know of the importance of naval operations.

To us who share a reverence for glorious tradition as we bow before the soft color of romance, New Orleans holds an inspiration which we pass to our guests and visitors so that they can see New Orleans as a multiple shrine of history.

The very cobblestones of our streets have a story to tell. What a pageant of greatness is that procession of historic notables from the day the Sieur de Bienville, in 1718, laid claim in fact to this spot in the name of Louis Philippe.

Each phase of her history is a part of the romance of Louisiana.

We celebrate to-night the one hundred and sixteenth anniversary of the Battle of New Orleans, fought on the field of Chalmette, where earlier in the day the heroic deeds of Jackson's men were memorialized.

To understand it wholly one must understand the broad part played by American naval forces, not only in the fighting of the serial engagements which culminated in the battle but in the development of the major strategy by which the invading forces were successfully combatted.

In importance in American history the Battle of New Orleans ranks only after Saratoga, where Burgoyne surrendered, and after Yorktown, where Cornwallis's capitulation marked the success of the War for Independence.

Have you wondered that the Battle of New Orleans, having been fought after the treaty of Ghent, was really important?

The American forces not only drove back the invader at Chalmette, but their valor sealed for all time the peace treaty with England.

The United States had won treaty concessions and a favorable peace agreement from Great Britain at a time when Napoleon's star had not set, when the Little Corporal was still the greatest force in Europe.

True, Europe had harried the Emperor so successfully that Pakenham's forces, released from the peninsular operations, were available to prosecute the war in the west.



While they were forming, other factors so strengthened American claims that our treaty delegates were sought by Britain and a splendid peace arranged.

But strategists of all nations, master tacticians of the world are agreed that had not the Battle of New Orleans been fought and won by American arms, the War of 1812 would have developed a new phase and we would have again been menaced from abroad.

History's verdict is unanimous that it is well that the news of the treaty failed to reach New Orleans before January 8, 1815.

Jackson's victory at Chalmette rounded out the American growth and perfected the acquisition of Louisiana.

A study of the elements of all that great achievement provide illuminating study. In them one finds fresh basis for faith in our institutions and keys for the resolution of many modern perplexities.

It must not be understood that in stressing the importance of naval factors in shaping the final campaign of the War of 1812 I imply that the services of the sailors and marines have not been recognized.

A few years ago in old St. Louis Cemetery No. 1, where so many of our illustrious dead sleep in eternal rest, we gathered to dedicate a tablet at the grave of Maj. Daniel Carmick, an American marine officer, who was mortally wounded in the engagement of December 28 preceding the Battle of New Orleans.

Congressional recognition was given this valiant officer for his service in defense of this city, and it is true evidence that New Orleans does not forget that the memorial tablet was fixed to further mark his tomb.

But how many here know that four months and six days before that glorious achievement Commander Daniel Todd Patterson, of the American Navy, then stationed here, persuaded Jackson, then at Mobile, that the true destination of the British expedition then assembling at Jamaica was New Orleans?

That Patterson insisted that Jackson repair here with his available forces for our proper defense?

Jackson had asked Patterson to bring his light vessels to Mobile. No uncertainty then pervaded Patterson's mind.

The British destination was not Mobile—it was New Orleans. Patterson's information, strange though it may seem, came from none other than Jean Lafitte, the Baratarian pirate.

The British had tried unsuccessfully to enlist Lafitte in their cause. He cast his fortunes with the imperiled resident Americans.

Those 50 British naval vessels, with 10,000 land troops, were preparing to strike at this economic outlet of the Mississippi.

And let me ask a further question: Who knows that 51 days before Jackson's final battle Patterson foretold what the British would do in these waters and on this soil, even predicting Chalmette as the exact locality where the final battle would be won?

The splendid achievements of the American Navy, more especially those in the six weeks prior to Jackson's victory, have never been sufficiently emphasized.

Just as little Belgium in the recent World War spent herself in holding back the Germans while England and France assembled their armies prepared for the defense of French soil, so did Patterson sacrifice his ships and his men in delaying the British advance over Lake Borgne and its adjacent waters, giving to Jackson that precious time that enabled him to organize his slender forces in such dispositions as to resist the invaders effectively.

The heroism of Belgium in her self-immolation has been widely acclaimed, but not so the like-sacrifices of our infant Navy in these waters. That is a field of study the historian has overlooked.

Ask any eighth grade schoolboy who won the battle of January 8, 1815; will he mention the important part the Navy there played? But Patterson was the one who forced the final issue to the exact spot where Jackson fought the British.

The invading force of the British, in ships and men to the number stated, left Negril Bay, Jamaica, November 26, 1814.

The army that burned our National Capitol the preceding September formed part of that force. It included also 4,000 troops from Plymouth, England, commanded by a General Keane, a gallant young Irish officer. These invaders reached the Chandeleur Islands December 9.

Their passage was marked by music, dancing, theatrical performances, and other hilarity. The wives of many officers accompanied the expedition. All felt confident an easy victory awaited them. All were filled with the delightful anticipations this New World seemed to offer them.

They presumed the American profoundly ignorant of their approach. In confidence the British fleet and transports containing the army of invasion anchored in the deep waters between Ship and Cat Islands near the entrance to Lake Borgne.

They prepared at once their small vessels for the transportation of their troops. They had to cross the adjacent shallow waters to their intended landing place.

But the revelations of Lafitte and the vigilance of Patterson had created quite a different situation than the British anticipated.

Five gunboats, a tender, and a dispatch boat were waiting in the passes of Mariana and Christian. Lieut. Thomas Catesby Jones, their commander, had dispatched previously two other gunboats to Dauphin Island, at the entrance of Mobile Bay, to report intelligence of the foe.

These vessels discovered the British fleet on December 10. Their reports reached Patterson.

Jones was then directed to take such positions as would enable him, once the British in their light vessels attempted to enter

Lake Borgne, to oppose their advance and at all cost prevent their landing. Jones's ships made for Pass Christian.

There the enemy discovered him December 13. Admiral Cochrane, commanding the British expedition, immediately changed his plans.

No attempt was to be made to transport troops while these American gunboats were afloat. All efforts was to be concentrated to destroy them.

Theodore Roosevelt, as the historian, wrote concerning this situation: "It was impossible for the British to transport their troops across Lake Borgne as contemplated until this flotilla was destroyed."

On December 14, the British advanced to cross the lake.

Jones, with his five small gunboats in line between Point Claire and Malheureux Island fought the British, as they advanced in 42 barges with 1,200 men. In that encounter he lost, as was expected, his entire flotilla.

Of Jones's force of 7 officers and 204 men, 6 were killed and the 35 wounded included Jones, the commander.

But he accomplished his mission. The British were delayed with a loss of about 300 killed and wounded, including their commander, Lockyer, wounded.

At length by December 20 the British troops were landed on Pea Island at the mouth of the Pearl River where General Keane took command to organize the vanguard for future operations.

From disaffected former Spanish residents of New Orleans, the enemy was informed of the feasible route of advance to the city, via Bayous Bienvenue and Mazant and the canal across Villiere's plantation.

Over this route the invader came, and on December 23 we find him established with one-half of his army at a point one-half mile from the Mississippi banks and 9 miles below New Orleans.

The British from there sent out posters to the inhabitants in Spanish and in French: "Louisianians: Remain quietly at your homes; we make war only against Americans."

The enemy was in fine spirits. Not a gun had been fired since Jones's flotilla had been destroyed.

Here at 7 o'clock that evening, December 23, they met new difficulties from the Navy. The guns of the *Carolina* and the *Louisiana*, then on the Mississippi and under Patterson's command, drove them from one position to another.

For three days there was not an hour that Patterson failed to sweep the British field.

The invaders then concentrated their entire force of artillery on the *Louisiana* and *Carolina*. On the 27th the destruction of the *Carolina* was accomplished with the American loss of three killed and nine wounded.

The *Louisiana*, however, from the opposite bank of the river, continued to annoy them. And the guns of the *Carolina* were promptly put ashore, manned by her surviving sailors, to augment Jackson's command, being posted in front of Jourdain's plantation in a position commanding the enemy's left flank.

Time does not permit me further to describe the conflicts that followed almost daily until the final battle of January 8.

Major Carmick, of the marines, bore a prominent part in many of these, his command consisting of De Bellevue's marines, Plauche's and Daquin's battalions, McRea's artillery, and 200 "men of color" from Haiti. On December 28 he fell seriously wounded.

These were briefly the conditions that forced the British to delay their final attack until January 8, 1815, 30 or more days of respite precious to Americans.

The losses of the Navy both in ships and in men were the price gladly paid to give to Jackson time to augment his meager force and arrange them for effective defense. His main line was established along an abandoned canal on Chalmette plantation about 5 miles below our city, a line extending from the river to an impassable swamp a mile to the northeast.

A flanking position was also prepared on the opposite (right) bank of the Mississippi. Jackson's position was one of great strength; it could be attacked only from the front; it, as a site for defense, Patterson had prophesied as "a narrow strip of land through which an army can not march nor transport artillery."

Here the British lost, on that memorable day we commemorate, no less than 2,600 men, of whom 700 were killed, 1,400 wounded, and 500 taken prisoner.

This included Sir Edward Pakenham, the British commander, killed in battle.

The American loss was but 8 killed and 13 wounded.

Thus the Battle of New Orleans, with a tremendous British loss, passed into the records of American history.

Patterson's gallant and efficient subordinates of the Navy were afforded their meed of praise, for he wrote that General Jackson freely acknowledged that the "unwearied exertions of the small naval force on this station, from the first appearance of the enemy, has contributed in a great degree to his expulsion."

Nor did Congress overlook the Navy. In its resolution it stated that the Congress entertained "a high sense of the valor and good conduct of Commodore Daniel T. Patterson, of the officers, petty officers, and seamen attached to his command, for their prompt and efficient cooperation with General Jackson in the late gallant and successful defense of the city of New Orleans."

I do not share the view that republics are ungrateful. But, my friends, they are forgetful.

Strive as we may by international understanding to insure the maintenance of peace, war may come to subsequent generations. In that event, pray though we may that ours may be spared, Americans must win if they face the necessity of making war.



The will to win lies in the spirit of those who are called to fight; if their tradition is bright and their cause is just they must have the capacity to appreciate those advantages.

For the safety of future generations you must in peace preach the glories of constructive endeavor as you instill into the hearts of all Americans an assurance of right that needs only a threat of danger to arouse them to the defense of our free institutions.

What better text for each lesson than the pages of our glorious history; the lesson of secure peace and the lesson of war for right?

Let us nurture the stamina, the courage, and the patriotism that are our heritage from our forbears so that posterity may have American ideals and American idealism. We truly find a guaranty of our country's future in a proper pride in its glorious past.

The American flag—the Stars and Stripes—supplanted here the banners of Spain and of France. It, as the emblem of our liberty, resisted successfully on this soil a formidable British invader advancing proudly and gaily, confident of victory, under the cross of St. Andrew and the cross of St. George.

It is a proud flag, my fellow citizens, an emblem of freedom and of justice.

I call upon you—stand true! Look along the straight avenues of our history and see the light of honor, the badge of courage, the brilliant rainbow of a pure ideal.

Out of our history lift the spirit of our future, a single essence that is the soul of America, and hold it secure for posterity.

#### ADJUSTED-SERVICE CERTIFICATES

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the question of the payment of the adjusted-service certificates.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, now that the executive council of the American Legion has formally indorsed the proposal to make cash payment of the adjusted-service certificates held by veterans of the World War, what reason can the Republican House leaders give for further delay? Up to this time they have been hiding behind the fact that the Legion convention held last year at Boston tabled a resolution regarding this matter.

The veterans of the Nation are almost a unit in advocating the immediate payment of these certificates to those who wish to avail themselves of such opportunity. It is pointed out that during the present economic depression thousands of veterans are out of work, many have bought homes and fear they may lose them, many others would like to buy homes and farms while prices are low.

These certificates represent an obligation of the United States to the veterans which Congress has recognized. To pay them now will benefit not only the veterans and their families but will put into circulation approximately \$3,000,000,000 and certainly such an act would stimulate business everywhere in our land, thus benefiting all citizens.

It is claimed that the Government has not the money, but it can borrow the money at 3 per cent or less. The Secretary of the Treasury has just recently asked Congress to permit the refunding of eight billions of Liberty bonds in order that a lower rate of interest may be secured. If such action is advisable, does it not follow that the Government could easily sell bonds to pay the veterans? There are hundreds of millions of dollars to-day lying idle in savings banks drawing 3 per cent or less. Many banks have recently found it necessary to reduce the interest rate paid on savings accounts. They would be glad to buy the bonds, or the depositors themselves would be glad to exchange their savings accounts for Government bonds which are tax-free.

In Georgia practically every Legion post is on record, so I am informed, favoring payment of the certificates. Such action would place in Georgia more than \$75,000,000. It would benefit every man, woman, and child in Georgia. Most of all it would save many a veteran and his family from actual want in the present emergency.

The "gag rule" leaders of the Republican organization in the House, following the dictates of their master, Secretary Mellon, have so far refused consideration to the more than 50 bills pending for payment of these certificates. It is an outrage that a few powerful leaders can thus thwart the will of the other Members of the House. They are perpetrating a wrong against the men who offered their lives to their country during the war. The veterans of the Nation ought, and I believe they will, remember these leaders in the future and replace them with men willing to permit fair consideration to such meritorious legislation.

More than a hundred Members of the House have signed a petition asking consideration of this legislation. I am glad to number myself in that body, and I expect to continue to do all within my power toward securing speedy enactment of a bill to pay such veterans as wish to be paid. Practically every Democrat in the House favors this plan, and that includes all of the Georgia delegation.

It has been argued that the veterans would waste the money. There is no logic in this argument. Those inclined to waste the proceeds of their certificates are annually borrowing the limit on them every year and paying interest to the Government at 6 per cent compounded annually. When 1945 is reached these veterans will have nothing left and will have lost a large percentage of their money through interest payments.

What the country needs to-day is a revival of purchasing power. No surer way of starting this revival can be had than through the payment of these certificates. It would be similar to a blood transfusion for a dying patient in the hospital; it would inject new life into the business of the Nation.

#### GENERAL SUMMERALL AS COLLEGE PRESIDENT

Mr. McSWAIN. Mr. Speaker, on March 4 next Gen. Charles P. Summerall will have completed over 42 years of distinguished service in the Army. He will retire by reason of age—64 years. He has been elected to and accepted the presidency of a military college at Charleston, S. C. I ask unanimous consent to extend my own remarks concerning these facts.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, it will doubtless be of much interest to the Members of Congress and to the country at large to learn that Maj. Gen. Charles P. Summerall, who for the period of his service as Chief of Staff of the Army enjoyed the rank of general, has accepted the presidency of the South Carolina Military College located at Charleston, S. C., and generally known as The Citadel. This institution is about 90 years old and has had a most useful and honorable career as the mother not only of distinguished soldiers but of outstanding lawyers and judges, of consecrated and devout ministers and bishops, of business men, bankers, industrial leaders, and progressive farmers, to the number of many thousands.

#### GREAT OPPORTUNITY FOR RETIRED OFFICERS

There have been many examples in our history of great and successful leaders of armies having laid down the work of a soldier and taking up the work of an educator. Conspicuous is the instance of Gen. Robert E. Lee. The venerated idol of the people of the South, sincerely respected by the people of all sections, and regarded by the world as one of her truly great men, General Lee declined all tempting offers to capitalize his name and fame by accepting salaries from business institutions of whose work he knew little and accepted the presidency of what was then called Washington College at Lexington, Va., later Washington and Lee University, now headed by a brilliant and inspiring young scholar and teacher, Dr. Francis Pendleton Gaines, a native of South Carolina. Likewise, Gen. John A. Lejeune, retired as Commandant of the United States Marine Corps, became president of the Virginia Military Institute at Lexington, Va., and is heading that institution with great distinction and usefulness.

#### THE COMPELLING POWER OF CHARACTER

Now comes General Summerall and proves true to the type of real manhood and essential gentility by consenting to give the benefit of his rich experience and ripe scholarship to the people primarily of South Carolina, but ultimately and fundamentally to the people of the Nation. When General Summerall agreed to forego the ease and exemption from responsibility incident to the life of a retired major general of the United States Army, and again put on the harness and took up the work of an educator and college executive, he did not surprise his intimate friends.

Those who knew the depths of his nature and were familiar with his ancestral history were prepared to believe that



no call to duty could go unanswered. The reason for his action is not far to see. General Summerall is descended from a long line of patriotic leaders and public servants, such as soldiers, teachers, and preachers. His mother before her marriage was an inspiring and stimulating teacher of girls and young women in South Carolina. Some of those whom she taught still survive, and they testify at every opportunity that she was a lady of delicate refinement, of profound spirituality, and of broad and accurate culture. They still quote her characteristic expressions and almost daily call to memory her many virtues. The son of such a mother is cast in heroic mold. Born soon after the close of the devastating struggle between the States, commonly called the Civil War, General Summerall knew in youth and early manhood the hardships to which the best people of the South of that period were subjected. Struggling against obstacles and overcoming difficulties, he graduated at Porter Military Academy at Charleston, S. C., and immediately began teaching a country school. While so teaching he won by competitive examination an appointment to the United States Military Academy at West Point. Graduating there in his twenty-sixth year, taking a high place for scholarship and military discipline, he began at once a career entirely in harmony with the hereditary influences driving at the bottom of his nature, and completely in harmony with the environment of his home life and the ideals and traditions of the Southland.

#### CHARACTER AND WAR LEADERSHIP

There are some who believe that moral character plays little part in the life of a soldier. But no soldier has ever risen to conspicuous and commanding leadership except upon the foundation of genuine character. Little officers may rattle around in big places and small men with great titles may sneer at goodness and affect contempt for spirituality; but every truly great commander, every war leader whose influence lives not only throughout the period of the war but in history is a man of simple faith, of tested morals, and of sound character. Countless examples rise in testimony of this truth, but the death within recent months of Marshal Joffre and the death within recent years of Marshal Foch are recent reminders that character which gives confidence, that spirituality which inspires following, that godliness which gives courage rest at the bottom of the character of every truly great military leader.

So it has been with General Summerall. He was one of the few outstanding battle commanders in the American Army during our engagement in the World War. Many regard him as the one most conspicuous and successful commander in the field of the actual fighting forces. His example is clear demonstration of the same general truth. General Summerall is a man of truth, of honor, and of courage based on Christian character. When the fires of battle fury flame in the faces of men who naturally love life, nothing can stand by and strengthen and save from cowardice except a simple trust in God and a belief that to die in the line of duty is the passport into eternal rest.

#### FORTUNATE FOR SOUTH CAROLINA

Mr. Speaker, it was a good day for South Carolina when the board of trustees of The Citadel tendered the offer of the presidency of that old and honorable institution to General Summerall. Other institutions in the country were seeking his services, but it was a natural inclination for him to go back to the State of his forefathers, both maternal and paternal. It was natural for him to accept an offer to return to the historic and proud city of Charleston, where he had spent happy years as a student at Porter Military Academy.

The cultured and refined society of Charleston, with an unbroken development commencing 250 years ago, drawing culture and enlightenment from every quarter of the globe, conserving the best in the old while appropriating the best in the new, is a powerful inducement, and General Summerall would naturally be happy to become part and parcel of such a social life as Charleston offers. One fact connected with the going of General Summerall to The Citadel is typical of

the fine quality of character inherent in Charleston. For more than 20 years Col. O. J. Bond has been the president of that institution. He has been uniformly respected by the student body of successive generations and is beloved and venerated by all Citadel alumni. He could have continued at will as the head of that institution. But he gallantly volunteered to lay down the command for a younger and stronger arm. He recognized what added strength General Summerall would bring to The Citadel.

Consequently, I am told that Colonel Bond was the one whose gracious and generous offer to be an unselfish mentor and counselor to General Summerall had the most persuasive influence in bringing about the acceptance of General Summerall. To the minds of those who know the real situation, Colonel Bond looms large for magnanimity and unselfishness, as a man of moral stature little less than General Summerall himself. Therefore, the old institution, with a thoroughly organized faculty, under the quickening influence of General Summerall's leadership, is sure to go forward into a new era of greater usefulness and service to the State and to the country. We need educated men in every walk of life. We need technical men, men with a knowledge of mechanics, of engineering, of electricity, of agriculture, and of all the practical and business affairs of to-day. But above mere technical training and mere knowledge we need men of character, men of force, men of leadership, and men of genuine culture. This kind of man we believe The Citadel will continue to produce in great numbers. In carrying forward this work General Summerall will prove a powerful force. The Citadel will attract students from other and distant States. It will be a center from which will radiate the life-giving power of character. Our people must gird their loins to support General Summerall. The student body must recognize that he is an earnest and serious man. He is not entering upon any play period; he is not dallying with this institution for either personal benefits or as a diverting pastime. The Citadel must continue to be a place for work and a school only for workers. It will be no fashionable club for the well-to-do to idle away four years of precious youth; it must be a workshop where are forged the implements of service and the anchors of character. It will be a military school in a very real sense; rigid discipline founded upon impartial treatment and absolute justice will characterize the command of General Summerall. It will make no difference to him who is the father of the recreant cadet; the administration of military discipline is as blind as justice itself.

Such discipline is not only the foundation of real character but it is a fine training in essential democracy. All cadets look alike; all have an equal opportunity; all are required to do the same work; all are judged by the same standard; all may reap the same reward; and all may receive the plaudits for duty well done. Young men may consider themselves fortunate to be associated daily with such a man as General Summerall. Right-minded young men, ambitious young men, well-trained young men, will appreciate the opportunity, will respond to his inspiring leadership, and will find in him a constant guide and standard for the formation of a character that will last when all the earth seems to crumble; when life itself feebly flickers at the end.

#### RALLY 'ROUND THE LEADER

So we are expecting the South Carolinians of all sections and of all sects, of all classes and creeds, of all interests, and of all institutions, to rejoice that one of the great men of the Nation will be one of our public servants as a teacher in a public institution to point the way of our people to new heights of greatness and by new approaches to the old road to success.

#### CAPPER-KELLY FAIR TRADE BILL

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Kelly-Capper bill.

The SPEAKER. Is there objection?

There was no objection.



Mr. KNUTSON. Mr. Speaker, under the right given to extend my remarks, I am including a statement by Edmond A. Whittier, secretary-treasurer of the American Fair Trade Association.

The statement is as follows:

"PRICE JUGGLING A RACKET"—HOUSE INTERSTATE AND FOREIGN COMMERCE COMMITTEE, ATTACKED BY TRADE GROUP, PRAISED BY AMERICAN FAIR TRADE ASSOCIATION FOR CAPPER-KELLY BILL O. K.—OBJECTIONS ARE ANALYZED

The price-juggling bootleggers of trade-mark and advertising good will, whose racketeering practices and swollen profits are made possible by conflicting court decisions and confusion in present law, are opposed to the Capper-Kelly fair trade bill which would deprive them of use of popular-branded merchandise as "bargain bait" to hoodwink the consumer.

Forced into the open by the action of the Interstate and Foreign Commerce Committee of the House of Representatives, which reported the Capper-Kelly bill favorably and recommended its prompt passage, the comparatively small price-juggling element which temporarily controls the machinery of the National Retail Dry Goods Association has ventured to use its name to attack the intelligence, good faith, and fairness of the House committee's report made after years of study, observation, and consideration.

Great indeed must be the selfish interest which prompts such temerity as is disclosed in a bulletin to the association members criticizing the House committee and stating seven objections to the Capper-Kelly bill as reported to the House. These objections are quoted verbatim and discussed categorically:

1. "It will lead to unjust discrimination between retailers in urban communities and those located in smaller cities and towns within the same trading areas."

Answer: The conditions which it is asserted will result from the enactment of the Capper-Kelly bill are really conditions which now exist and which the bill will curb. It is the practice of price-juggling and deceptive "bargain" sales based thereon which is one of the large factors which now serve as an unfair competitive weapon to shift trade from small trading areas to big cities.

2. "It will make possible unjust discrimination between adjacent urban centers of distribution."

Answer: The answer to this is the same as to objection 1. This unjust discrimination between adjacent urban centers of distribution is so rampant at present that the Capper-Kelly legislation is proposed as a means of bringing an end to it by placing retailers on a parity in the sale of nationally advertised and branded merchandise.

3. "The bill arbitrarily sets up conditions under which merchants may dispose of style and seasonal merchandise."

Answer: This objection is based on the assumption that the manufacturer of seasonal goods and the retailers handling it will be unable mutually to agree on fair methods of disposing of the merchandise in such manner that one retailer can not take unfair advantage of his fellow retailers. There is nothing in the objection. Each industry will be able to work out perfectly fair contracts between producers and retailers for disposing of seasonal goods, appropriate and practicable to that trade. Any manufacturer who tries to impose unreasonable conditions on his distributors will soon find business shifting over to competitors who are willing to provide satisfactory conditions.

4. "Under the terms of this bill no opportunity is afforded for disposing of staple lines when emergencies demand it."

Answer: The Capper-Kelly bill recites the emergency conditions under which staple-branded merchandise may be sold regardless of the resale contracts, namely, "by a receiver, trustee, or other officer acting under the orders of any court, or any assignee for the benefit of creditors." If other emergencies are to serve as an excuse for price cutting, the Capper-Kelly bill would not change present conditions. Every retailer who desired to slash prices on branded merchandise would naturally claim that some emergency in his own business required the initiation of a price-cutting war, which would be taken up promptly by all of his competitors, with the usual result that none will handle the producer's goods for a long time thereafter. No merchant need to load up with branded merchandise to such an extent that any personal emergency of his own would justify him in demoralizing the whole trade, causing loss to honest merchants and end in depriving the consumer of opportunity to get wanted goods.

5. "As the bill includes every conceivable commodity of commerce, necessities of life are obviously subject to its terms."

Answer: The objection is craftily worded. The Capper-Kelly bill only includes such articles as bear "the trade-mark, brand, or trade name of the producer," which article "is in fair and open competition with commodities of the same general class produced by others." No possible danger to the public can arise under such conditions. Any producer who attempts to overcharge for his branded article will find himself eliminated by the competition of similar articles sold unbranded or under some other producer's trade-mark at a reasonable competitive price.

6. "This bill will raise the cost of living to the consumer."

Answer: The exact opposite is the case. At present resale prices are protected by vast consignment or agency or branch-store systems, all of which are cumbersome and expensive to operate. The consumer pays the bill. The Capper-Kelly proposal would provide a system of maintaining resale prices by inexpensive contracts. Competition between producers who are marketing their products, either branded or unbranded, by the inexpensive form of contracts rather than by expensive agency or consignment devices, would bring down costs to the public. Such a system would

permit lower prices to the consumer (a) by reduction of cost through more uniform stable production; (b) by encouraging mass production; (c) by elimination of the extra margin of profit necessary to guard against frequent demoralization of markets which is the inevitable result of price wars under present conditions.

7. "Litigation under this bill may be very expensive to merchants."

Answer: This objection also is specious. No merchant is required to enter into a contract without his own consent, and if he does not violate his freely made contract or unfairly induce anyone else to violate a similar contract, there will be no litigation. This objection, like most of the others, is based on the absurd assumption that producers of branded merchandise are looking for the ill will rather than the good will of retailers; that they are seeking for weapons to intimidate and coerce the retailers into handling their trade-marked merchandise. The exact opposite is the fact. Every trade-mark proprietor is endeavoring always to gain the good will of retailers; to woo them into liking and pushing his merchandise, and in making it as easy as possible for them to do so. Any producer who insists on making unfair or oppressive contracts with his retailers will soon find that he has no retailers left who will be willing to do business with him.

The use of the word "merchants" in this objection is grossly misleading. It is entirely consistent with past attempts by the small predatory price juggling minority to speak, without legal justification, for the whole membership of the National Retail Dry Goods Association; and even if it had unanimous support, the suggestion of opposition of merchants as a class to resale-price legislation is directly contradicted by the facts. Practically every association of retailers in the United States, in all industries, comprising more than 1,200 local, State, and national organizations, headed by such country-wide bodies of merchants as the National Association of Retail Druggists, National Association of Retail Grocers, and American National Retail Jewelers Association, is on record and is vigorously supporting the Capper-Kelly bill as reported by the Interstate and Foreign Commerce Committee.

Finally, and in justice, it should be said that a fair reading of the seven stated "objections" of the National Retail Dry Goods Association leads inevitably to the conclusion that they were not written by any merchandiser familiar with existing business conditions. Only a brain steeped in legal technicalities and ignorant of the actual facts would be capable of contending that the merchandising millennium was already here and that the Capper-Kelly bill was going to take it away. Only a commercially unconscious legal dreamer could imagine that under present conditions no unfair competition is being practiced by large organizations against small merchants, and that the Capper-Kelly bill was about to make such unfair competition possible.

All of the evils which the price-juggling minority temporarily controlling the National Retail Dry Goods Association pictures as about to be produced by the Capper-Kelly bill have been with us for some years past as a result of the existing deficiency in the law, and it is the ravages resulting from those practices that have finally driven the House Interstate and Foreign Commerce Committee to the realization that the Capper-Kelly fair trade bill must be enacted to bring an end to present unfair competitive conditions, under which the consumer is made the victim of deception and fraud.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TARVER (at the request of Mr. CRISP), on account of illness.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 5441. An act to assist in the organization of agricultural credit corporations; to the Committee on Agriculture.

#### ENROLLED BILLS SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 233. An act to approve the action of the War Department in rendering relief to sufferers of the Mississippi River flood in 1927;

H. R. 516. An act for the relief of John Jakes;

H. R. 1036. An act for the relief of Homer N. Horine;

H. R. 1075. An act to correct the naval record of James M. Hudson;

H. R. 1081. An act for the relief of Martin G. Schenck, alias Martin G. Schanck;

H. R. 1892. An act for the relief of Henry Manske, jr.;

H. R. 2266. An act for the relief of E. O. McGillis;

H. R. 3122. An act for the relief of William J. Frost;

H. R. 3313. An act to authorize the Secretary of War to acquire, free of cost to the United States, the tract of land



known as Confederate Stockade Cemetery, situated on Johnstons Island, Sandusky Bay, Ohio, and for other purposes;

- H. R. 3692. An act for the relief of George Press;
- H. R. 3950. An act for the relief of David A. Dehart;
- H. R. 4159. An act for the relief of Harry P. Lewis;
- H. R. 4501. An act to authorize funds for the construction of a building at Fort Sam Houston;
- H. R. 4760. An act for the relief of Guy Braddock Scott;
- H. R. 4907. An act for the relief of Thomas Wallace;
- H. R. 5271. An act authorizing the Secretary of the Interior to acquire land and erect a monument at the site near Crookston, in Polk County, Minn., to commemorate the signing of a treaty on October 2, 1863, between the United States of America and the Chippewa Indians;
- H. R. 5661. An act authorizing the Sycamore Bridge Co., its successors and assigns, to construct, maintain, and operate a bridge across the Wabash River at or near Flesher's Ferry, Ind.;

H. R. 6453. An act for the relief of Peder Anderson;

H. R. 6618. An act to provide for the study, investigation, and survey, for commemorative purposes, of the battlefield of Chalmette, La.;

H. R. 7063. An act for the relief of H. E. Mills;

H. R. 7119. An act to authorize the establishment of a Coast Guard station on the coast of Florida at or in the vicinity of Lake Worth Inlet;

H. R. 7302. An act for the relief of Jeremiah F. Mahoney;

H. R. 7998. An act to amend subsection (d) of section 11 of the merchant marine act of June 5, 1920, as amended by section 301 of the merchant marine act of May 22, 1928;

H. R. 8117. An act for the relief of Robert Hofman;

H. R. 8649. An act to authorize the Postmaster General to collect an increased charge for return receipts for domestic registered and insured mail when such receipts are requested after the mailing of the articles, and for other purposes;

H. R. 8665. An act for the relief of William A. Quigley;

H. R. 8806. An act to authorize the Postmaster General to impose fines on steamship and aircraft carriers transporting the mails beyond the borders of the United States for unreasonable and unnecessary delays and for other delinquencies.

H. R. 9779. An act authorizing a preliminary examination of the Mokelumne River, Calif., and its tributaries, with a view to the control of floods;

H. R. 9893. An act for the relief of Herman Lincoln Chatkoff;

H. R. 10782. An act to facilitate and simplify the work of the Forest Service;

H. R. 11022. An act for the relief of Sterrit Keefe;

H. R. 11212. An act to authorize a pension to James C. Burke;

H. R. 11230. An act to authorize a preliminary examination of Yellow Creek and other tributaries of the Cumberland River in and about the city of Middlesboro, Ky., with a view to the control of their floods, and for other purposes;

H. R. 11297. An act for the relief of Arthur Edward Blanchard;

H. R. 11443. An act to provide for an Indian village at Elko, Nev.;

H. R. 11779. An act granting the consent of Congress to the State of Illinois to construct, maintain, and operate a bridge across the Pecatonica River northwest of Rockford, Ill., in section 5, township 27 north, range 11 east, fourth principal meridian;

H. R. 12121. An act to provide for a survey of the Salmon River, Alaska, with a view to the prevention and control of its floods;

H. R. 13132. An act authorizing the appropriation of Osage funds for attorneys' fees and expenses of litigation;

H. R. 13516. An act to extend the times for commencing and completing the construction of a free highway bridge across the Hudson River between the cities of Albany and Rensselaer, N. Y.;

H. R. 13517. An act to extend the times for commencing and completing the construction of a free highway bridge across the Hudson River at the southerly extremity of the city of Troy, N. Y.;

H. R. 13532. An act to extend the time for the construction of the bridge across the Rio Grande at or near San Benito, Tex.;

H. R. 13533. An act to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.;

H. R. 14051. An act granting the consent of Congress to the highway department of the State of Tennessee to construct, maintain, and operate a bridge across the Elk River on the Fayetteville-Winchester Road near the town of Kelso, in Lincoln County, Tenn.;

H. R. 14266. An act authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water) to be used at the encampment of the United Confederate Veterans, to be held at Montgomery, Ala., in June, 1931;

H. R. 14276. An act to extend the times for commencing and completing the construction of a bridge across the Tennessee River on the Dayton-Decatur Road between Rhea and Meigs Counties, Tenn.;

H. R. 14573. An act authorizing the attendance of the Army Band at the Confederate Veterans' reunion to be held at Montgomery, Ala.;

H. R. 14679. An act authorizing Pensacola Bridge Corporation (a Florida corporation), its successors and assigns, to construct, maintain, and operate a bridge across Santa Rosa Sound, in the State of Florida, at or near Grassy Point in Santa Rosa County, Fla.;

H. R. 14681. An act granting the consent of Congress to the Pittsburgh, Cincinnati, Chicago & St. Louis Railroad Co., its successors and assigns to construct, maintain, and operate a railroad bridge across the Kankakee River;

H. R. 14916. An act for the relief of the Uncompahgre reclamation project, Colorado;

H. R. 15008. An act to extend the south and east boundaries of the Mount Rainier National Park, in the State of Washington, and for other purposes;

H. J. Res. 200. Joint resolution authorizing acceptance of a donation of land, buildings, and other improvements in Caddo, Parish, near Shreveport, La.; and

H. J. Res. 441. Joint resolution amending section 1 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 3, 1930, relating to the Monongahela River, Pa.;

#### ADJOURNMENT

Mr. SUMMERS of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 28, 1931, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, January 28, 1931, as reported to the floor leader by clerks of the several committees:

#### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

To provide for the establishment and development of American air-transport services overseas, to encourage construction in the United States by American capital of American airships and other aircraft for use in foreign commerce. (H. R. 14447.)



COMMITTEE ON WAYS AND MEANS  
(10 a. m.)

To consider bills to prohibit importation of goods produced by convict, forced, or coerced labor.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS  
(10 a. m.)

To provide for the acquisition of a site for a building to be occupied by the General Accounting Office and to create a commission to provide for the submission to the Congress of preliminary plans and estimates of costs for the construction of a building to be erected thereon. (H. R. 16245.)

COMMITTEE ON INDIAN AFFAIRS  
(10 a. m.)

Authorizing any nation, tribe, or band of Indians to submit claims against the United States to the Court of Claims. (H. R. 8004.)

COMMITTEE ON THE JUDICIARY  
(10.30 a. m.)

Proposing to amend the Constitution of the United States to exclude aliens in counting the whole number of persons in each State for apportionment of Representatives among the several States. (H. J. Res. 20 and 356.)

Proposing an amendment to the Constitution of the United States. (H. J. Res. 101.)

COMMITTEE ON APPROPRIATIONS  
(10 a. m.)

To consider the proposed appropriation for the Red Cross.  
(1 p. m.)

Navy Department appropriation bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

794. A letter from the quartermaster general of United Spanish War Veterans, transmitting the proceedings of the stated convention of the thirty-second national encampment of the United Spanish War Veterans, held at Philadelphia, Pa., August 16 to 20, 1930 (H. Doc. No. 575); to the Committee on Military Affairs and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HAUGEN: Committee on Agriculture. H. J. Res. 192. A joint resolution extending the provisions of sections 1, 2, 6, and 7 of the act of Congress entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor," to the Territory of Porto Rico; without amendment (Rept. No. 2395). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. R. 9599. A bill to authorize the Secretary of Agriculture to carry out his 10-year cooperative program for the eradication, suppression, or bringing under control of predatory and other wild animals injurious to agriculture, horticulture, forestry, animal husbandry, wild game, and other interests, and for the suppression of rabies and tularemia in predatory or other wild animals, and for other purposes; with amendment (Rept. No. 2396). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 15987. A bill to authorize the President of the United States to establish the Canyon de Chelly National Monument within the Navajo Indian Reservation, Ariz.; without amendment (Rept. No. 2397). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAUGEN: Committee on Agriculture. H. J. Res. 284. A joint resolution authorizing the Secretary of Agriculture

to cooperate with the Territories of the United States under the provisions of sections 1 and 2 of the act of Congress entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor"; without amendment (Rept. No. 2398). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM: Committee on the Judiciary. S. 5776. An act to provide for the advance planning and regulated construction of public works, for the stabilization of industry, and for aiding in the prevention of unemployment during periods of business depression; with amendment (Rept. No. 2399). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7118. A bill providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Orlando, Fla.; with amendment (Rept. No. 2400). Referred to the House Calendar.

Mr. ALMON: Committee on Roads. S. 4193. An act for the relief of the State of Florida for damage to and destruction of roads and bridges by floods in 1928 and 1929; without amendment (Rept. No. 2404). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Washington: Committee on Immigration and Naturalization. H. J. Res. 473. A joint resolution further restricting for a period of two years immigration into the United States; with amendment (Rept. No. 2405). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. IRWIN: Committee on Claims. H. R. 2087. A bill for the relief of Ray W. Firth; without amendment (Rept. No. 2390). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 10358. A bill for the relief of Marie E. McGrath; with amendment (Rept. No. 2391). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 10678. A bill for the relief of Ben D. Showalter; with amendment (Rept. No. 2392). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 11457. A bill for the relief of Newark Concrete Pipe Co.; with amendment (Rept. No. 2393). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 15318. A bill for the relief of Edna M. Gilson; without amendment (Rept. No. 2394). Referred to the Committee of the Whole House.

Mr. SINCLAIR: Committee on War Claims. (H. R. 12676. A bill for the relief of Stanley A. Jerman, receiver for A. J. Peters Co. (Inc.); without amendment (Rept. No. 2401). Referred to the Committee of the Whole House.

Mr. DRANE: Committee on Naval Affairs. H. R. 7192. A bill for the relief of Roy W. Farrell; without amendment (Rept. No. 2402). Referred to the Committee of the Whole House.

Mr. COYLE: Committee on Naval Affairs. S. 3184. An act to permit the county of Solano in the State of California to lay, construct, install, and maintain sewer outlets over and across the Navy longitudinal dike and accretions thereto, in Mare Island Straits, Calif.; without amendment (Rept. No. 2403). Referred to the Committee of the Whole House.

Mr. KOPP: Committee on Pensions. H. R. 16626. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and so forth, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; without amendment (Rept. No. 2406). Referred to the Committee of the Whole House.



## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 16619) relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes; to the Committee on Labor.

By Mr. JOHNSON of South Dakota: A bill (H. R. 16620) to amend the World War veterans' act of 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. KELLY: A bill (H. R. 16621) relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes; to the Committee on Labor.

By Mrs. RUTH PRATT: A bill (H. R. 16622) to amend the revenue act of 1928 by reducing the rate of tax on capital net gains, and for other purposes; to the Committee on Ways and Means.

By Mr. SANDLIN: A bill (H. R. 16623) to provide for the commemoration of the military historic events which occurred at Shreveport, La.; to the Committee on Military Affairs.

Also, a bill (H. R. 16624) to provide for the commemoration of the Battle of Mansfield, La.; to the Committee on Military Affairs.

By Mr. TIMBERLAKE: A bill (H. R. 16625) to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines; to the Committee on the Public Lands.

By Mr. KOPP: A bill (H. R. 16626) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and so forth, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; to the Committee on Pensions.

By Mr. HASTINGS: A bill (H. R. 16627) to provide for a duty on mineral oils; to the Committee on Ways and Means.

By Mr. GREEN: A bill (H. R. 16628) to provide for a survey and report of losses incurred by reason of the campaign for the eradication of the Mediterranean fruit fly, and for other purposes; to the Committee on Agriculture.

By Mr. CLANCY: A bill (H. R. 16629) authorizing the attendance of the Army Band at the Grand Army of the Republic reunion to be held at Des Moines, Iowa; to the Committee on Military Affairs.

By Mr. TINKHAM: Joint resolution (H. J. Res. 484) proposing an amendment to the Constitution with respect to the apportionment of Representatives in Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

## MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. STONE: Memorial of the State Legislature of the State of Oklahoma, memorializing the Congress of the United States to enact legislation giving aid to the people of Oklahoma; to the Committee on Appropriations.

By Mr. KVALE: Memorial of the State Legislature of the State of Minnesota, memorializing the Congress of the United States to such steps as are necessary to secure passage of the Shipstead-Pittenger Fire Sufferers' bill, the same being known as House bill 5660, to the end that the Government of the United States may discharge its just and lawful obligations to the citizens of Minnesota; to the Committee on Claims.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 16630) for the relief of Thomas Jefferson Faith; to the Committee on Military Affairs.

By Mr. BACON: A bill (H. R. 16631) for the relief of Nathaniel Monsell, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 16632) to legalize a quay in Milburn Creek at Baldwin Harbor, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. BOHN: A bill (H. R. 16633) for the relief of Harbor Springs, Mich.; to the Committee on Claims.

By Mr. COLE: A bill (H. R. 16634) granting an increase of pension to Joseph Lang; to the Committee on Pensions.

By Mr. DOUGHTON: A bill (H. R. 16635) authorizing the relief of the McNeill-Allman Construction Co. (Inc.), of W. E. McNeill, Lee Allman, and John Allman, stockholders of the McNeill-Allman Construction Co. (Inc.); and W. E. McNeill, dissolution agent of McNeill-Allman Construction Co., to sue in the United States Court of Claims; to the Committee on Claims.

By Mr. GOLDSBOROUGH: A bill (H. R. 16636) for the relief of Zedic N. Draper; to the Committee on Military Affairs.

By Mr. JAMES of Michigan: A bill (H. R. 16637) for the relief of Florence Northcott Harman; to the Committee on Naval Affairs.

By Mr. JENKINS: A bill (H. R. 16638) granting an increase of pension to Sarah Jane Van Pelt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16639) granting an increase of pension to Mary E. DeWitt; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 16640) granting a pension to Charles M. Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16641) for the relief of Emanuel Wallin; to the Committee on the Public Lands.

By Mr. KNUTSON: A bill (H. R. 16642) granting an increase of pension to Katherine Barden; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 16643) for the relief of Alexander Gilchrist, jr.; to the Committee on the Civil Service.

By Mrs. NORTON: A bill (H. R. 16644) granting a pension to Sarah Comer; to the Committee on Invalid Pensions.

By Mr. PARSONS: A bill (H. R. 16645) granting a pension to Melvina Hogan; to the Committee on Invalid Pensions.

By Mr. HENRY T. RAINEY: A bill (H. R. 16646) to authorize the appointment of First Lieut. Charles H. Moore, Infantry Reserve, as second lieutenant in the Regular Army; to the Committee on Military Affairs.

Also, a bill (H. R. 16647) granting a pension to Martha E. Day; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 16648) granting an increase of pension to Susan J. Klock; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 16649) for the relief of Mahlon E. Lantz; to the Committee on Military Affairs.

By Mr. SPEARING: A bill (H. R. 16650) for the relief of the Carbine, Harang Machinery & Supply Co. (Inc.); to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 16651) granting a pension to Hannah Low; to the Committee on Invalid Pensions.

Also, a bill (H. R. 16652) granting a pension to Zeb Walden; to the Committee on Invalid Pensions.

By Mr. WOLVERTON of West Virginia: A bill (H. R. 16653) granting an increase of pension to Nancy J. Smith; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8893. Petition suggesting changes and new laws for the benefit of the people; to the Committee on the Judiciary.

8894. By Mr. BACON: Petition of sundry residents of Long Island, urging enactment of legislation prohibiting use of dogs in vivisection practices in the District of Columbia; to the Committee on the District of Columbia.

8895. By Mr. BARBOUR: Petition of residents of the seventh congressional district of California, urging passage of House bill 7884, to exempt dogs from vivisection in the



District of Columbia; to the Committee on the District of Columbia.

8896. By Mr. CARTER of California: Petition signed by Catherine Annie Gatgens, of Oakland, and many thousands of others of Alameda County, Calif., urging the passage of House bill 7884 for the exemption of dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8897. By Mr. CULLEN: Petition of the board of directors of Associated Industries of New York State (Inc.), representing more than 2,000 manufacturers and merchants doing business in New York State, urging the Congress not to prolong the present session of Congress beyond March 4, inasmuch as it might retard the increasing resumption of business activity and unduly delay the return to normality, which is so much to be desired; to the Committee on Ways and Means.

8898. Also, petition of the New York State Oil Producers' Association, asking the Congress to pass legislation providing for a protection in the nature of a tariff on petroleum and its products; to the Committee on Ways and Means.

8899. By Mr. DEBOUEN: Resolution adopted by the Griffith Post, No. 56, the American Legion, Department of Louisiana, urging the immediate passage of legislation providing for payment of all adjusted-service certificates; to the Committee on Ways and Means.

8900. Also, memorial of James O. Hall Post, No. 19, American Legion, Department of Louisiana, memorializing the Congress of the United States to enact legislation giving aid to the veterans of the World War and for the benefit of widows and orphans of ex-service men of said war; to the Committee on World War Veterans' Legislation.

8901. By Mr. GAVAGAN: Petition of Clarence M. Levett, urging passage of House bill 7884, for the exemption of dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8902. By Mr. GOLDSBOROUGH: Petition of the Stanley Cochrane Post, American Legion, Crisfield, Md., for immediate enactment of amendments to World War veterans' act, giving pensions to widows and orphans; service-connected chronic constitutionally disabled to January 1, 1925; immediate action of hospitalization construction program; and provide hospitalization for all non-service-connected cases; to the Committee on World War Veterans' Legislation.

8903. By Mr. JAMES of Michigan: Petition of legionnaires at midwinter conference session at Houghton yesterday, representing 40 American Legion posts of Upper Peninsula, membership over 4,000, giving their indorsement to the principle of immediate cash retirement of veterans' adjusted-compensation certificates; to the Committee on Ways and Means.

8904. By Mr. JOHNSON of Nebraska: Telegram urging the payment of the adjusted-service certificate in full at this time; to the Committee on Ways and Means.

8905. By Mr. KIEFNER: Petition of World War veterans of Coleman Frazier Post, No. 39, of the American Legion, Flat River, St. Francois County, Mo., asking that the Government pay the adjusted-service certificates; to the Committee on World War Veterans' Legislation.

8906. By Mr. KVALE: Petition of city council of Minneapolis, Minn., urging vigorous prosecution of the works ordered by Congress in the adoption of the project for a 9-foot channel in the upper Mississippi River; to the Committee on Flood Control.

8907. By Mrs. NORTON: Petition of Edna M. Fitzgerald, of 290 Woodlawn Avenue, Jersey City, et al., in favor of the enactment of House bill 7884 against the vivisection of dogs; to the Committee on the District of Columbia.

8908. Also, petition of J. L. Keegan, secretary, and members of the Sheet Metal Workers' State Council of New Jersey, protesting against the employment of unskilled labor on Government contracts; to the Committee on Labor.

8909. By Mr. SELVIG: Petition of American Legion Post, of McIntosh, Minn., urging full payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

8910. Also, petition of American Legion Post, of Moorhead, Minn., urging cash payment of the Federal bonus certificates at their full face value; to the Committee on Ways and Means.

8911. Also, memorial of Legislature of State of Minnesota, urging Congress to enact the bills in Congress establishing normal minimum water levels in reservoir lakes in that State; to the Committee on Rivers and Harbors.

8912. Also, memorial of Legislature of the State of Minnesota, urging Congress to enact House bill 15934, to prohibit the use of palm oil in the manufacture of oleomargarine and its products in the interests of the dairying industry in Minnesota; to the Committee on Agriculture.

8913. Also, petition of Mr. and Mrs. I. E. Greene and Mrs. I. O. Orstad, of Audubon, Minn., urging enactment of House bill 7884, for the exemption of dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8914. By Mr. SULLIVAN of New York: Petition of registered voters of the thirteenth congressional district of New York, urging the passage of House bill 7884, for the exemption of dogs from vivisection in the District of Columbia; to the Committee on the District of Columbia.

8915. By Mr. SWANSON: Petition of Frank C. Burke and 420 others of Missouri Valley, Iowa, for the payment of adjusted-compensation certificates at this time; to the Committee on Ways and Means.

8916. By Mr. THURSTON: Petition signed by 14 members of the Woman's Christian Temperance Union organization, of Osceola, Iowa, urging the passage of House bill 9986 providing for Government regulation, supervision, and inspection of motion-picture films, etc.; to the Committee on Interstate and Foreign Commerce.

8917. By Mr. WATSON: Resolution adopted by the Woman's Christian Temperance Union of Bristol, Bucks County, Pa., urging Congress to enact a law for the Federal supervision of motion pictures, establishing higher standards before production for films that are to be licensed for interstate and international commerce; to the Committee on Interstate and Foreign Commerce.

8918. By Mr. WYANT: Petition of Victory Day assembly at Concord Church, Rostraver township, Westmoreland County, Pa., under auspices of the Woman's Christian Temperance Union, urging Sparks-Capper amendment, eliminating approximately 7,500,000 aliens and counting only citizens in new apportionment for congressional districts, to the Committee on the Judiciary.

## SENATE

WEDNESDAY, JANUARY 28, 1931

(Legislative day of Monday, January 26, 1931)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MEMORIAL SERVICES FOR THE LATE SENATOR WARREN AND THE LATE REPRESENTATIVE STEDMAN

Mr. MORRISON. Mr. President, I ask unanimous consent to have read from the desk an invitation which is being extended to the Senate by those in charge of a memorial service to the late Senator Warren, of Wyoming, and the late Congressman Stedman, of North Carolina. It will take but a moment.

The VICE PRESIDENT. Without objection, the invitation will be read.

The legislative clerk read as follows:

WASHINGTON, D. C., January 21, 1931.

HON. CAMERON MORRISON,  
United States Senate.

MY DEAR SENATOR: The members of the Asha Falsen Colwell Williams Chapter, United Daughters of the Confederacy, Washington, D. C., have the honor to extend to the Members of the United States Senate, through you, a cordial invitation to be present at a meeting to honor the memory of the late Senator Francis E. Warren, of Wyoming, and the late Congressman Charles M. Stedman, of North Carolina, in the conference room of the House Office Building on the evening of January 28, 1931, at 8 o'clock.